BUSH'S RADICAL BUDGET PLAN • IBM: TOM WATSON'S TERRIFIC NE

JUNE 4, 1990

$3.95

FORTUNE

FORTUNE'S SERVICE 500

WHAT THE CUSTOMER REALLY WANTS

vice, service, service!

Super Valu Stores CEO Michael Wright knows that the personal touch means more than price.

#105G%*********5-DIGIT 20814
#S99ES520S91#5 Y520814 JUN91
SR1 CNGRSSN INFO SVC MD00MA**
4520 EAST-WEST HWY 6817
BETHESDA MD 20814-3319 PL00290

724434 2

500 THE SERVICE 500

FORTUNE

JUNE 4, 1990

VOL. 121, NO. 13

ABOVE: A pastry-serving lesson at a Marriott Hotel in Poland. Photograph by Ed Kashi.

COVER: Michael Wright, CEO of Super Valu Stores, as photographed by James Schnepf.

THE SERVICE 500/Cover Story

WHAT CUSTOMERS REALLY WANT 58

It's service, service, service. How do you give it to them when labor is in short supply? The work force challenge will be the key issue for companies in the 1990s. *by Patricia Sellers*

MIKE WRIGHT HAS SERVICE IN THE BAG 62

TECHNOLOGY TRIES HARD, BUT IT WILL NEVER REPLACE PEOPLE 66

MONEY & MARKETS

WHY THERE WILL BE ENOUGH CREDIT 71

If regulators don't go overboard, the economy will get all the money it needs. Loan demand has weakened, and banks remain eager to finance good projects. *by Vivian Brownstein*

JUNK'S BAD TIMES ARE JUST STARTING 81

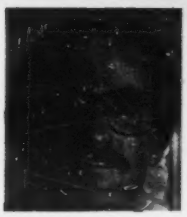
Expect a lot more defaults. The collapse of the high-yield bond market spells trouble for banks, insurers, mutual funds, and people who never touched the stuff. *by Gary Hector*

"You always put the interests of the customers first."

PAGE 62

"Lots of sons ask me if they should follow their fathers into business. My answer is: If you can stand it, do it."

PAGE 92



"He's figured out a way to make George Bush like economics."

PAGE 137

"I was interested in naked justice, not naked men."

PAGE 170

"Plan first, budget later."

PAGE 179

"A big discount to underlying value would usually go along with poor management."

PAGE 193

FORTUNE BOOK EXCERPT

THE INTIMATE TALE OF IBM'S FIRST FAMILY 92

The two men who led the computer giant to greatness loved each other—and fought each other—with the passion only a father and son can muster.

POLITICS & POLICY

BUSH'S RADICAL BUDGET PLAN 137

Influential voices at the White House and Fed want to replace bounding deficits with surpluses and inflation with price stability. Don't laugh. It could happen. *by Robert E. Norton*

AIMING FOR ZERO AT THE FED 140

THE MAN WITH THE PRESIDENT'S EAR LAYS OUT THE PROGRAM 148

WHAT WE REALLY NEED FOR DEFENSE 161

The Pentagon's budget can be halved in a decade if the U.S. rethinks how it should—and shouldn't—respond to an unruly world. *by Lee Smith*

THE SOCIETY

THE MYSTIQUE OF PRIVATE CLUBS 170

Should you, as a manager, join a club? Absolutely—more of your colleagues than ever are doing so. Will it help your career? Well . . . is that really the point? But be warned: At the exalted level of clubdom, accomplishment—the passkey of American life—may count for zip. *by Alan Farnham*

CLUBS YOU CAN'T PEEK INTO 176

MANAGING

WHY BUDGETS ARE BAD FOR BUSINESS 179

According to the experts, budgets encourage the wrong things, like controlling head count, and discourage the right ones, such as quality, customer service—and even profits. But some companies are breaking away from this crazy numbers game. *by Thomas A. Stewart*

THE CEO WHO SEES BEYOND BUDGETS 186

SPECIAL REPORT

THE SERVICE 500

Stories and indexes start on page 297

■ **IT SURE PAID TO BE DIVERSIFIED** 298

The nation's largest service companies collectively had their second most profitable year ever, thanks largely to the heft of diversified service and finance.

■ **THE 500 LARGEST SERVICE CORPORATIONS** 304

■ **DEFINITIONS AND EXPLANATIONS** 332

■ **INDUSTRY MEDIANS** 332

■ **ARRIVALS, DEPARTURES, AND MONEY LOSERS** 333

■ **ALPHABETICAL INDEX** 334

Contents continued on page 4

CONTENTS

"We're not like the Limited or the Gap or anyone else, because we don't sell a product. We rent it."

PAGE 208

"I really don't watch my bank account too much. We buy what we like."

PAGE 224

"We'll either be very successful, or we'll go down in flames. I don't intend to preside over the latter."

PAGE 239

"The outside world can be very time consuming."

PAGE 250

"I'm not a crackpot who's trying to take a shot at Nomura. I'm just a guy from the East Coast who wrote a book."

PAGE 265

"The U.S. surplus in service trade is large and growing rapidly."

PAGE 287

MANAGING

CAN RAIDERS RUN WHAT THEY RAID? 193

Some of the most famous takeover artists have done no better than the CEOs they vilified and ousted. FORTUNE discovers why. *by David Carey*

CORPORATE PERFORMANCE

COMPANIES TO WATCH 208

A Blockbuster video chain. *by Erik Calonius*

Also: Bausch & Lomb, Technical Communications, Arbor Drugs, and Encore Computer.

THE WORLD

ASIA'S NEW YUPPIES 224

In Taiwan and other fast-growing countries, young professionals have up to 20 times the spending power of their fellow citizens. *by Ford S. Worthy*

DYNASTIES

MANAGING A CLAN WORTH $1 BILLION 239

The Pitcairns have their own church, their own school—and a fortune. Now they're marketing their financial expertise. *by William E. Sheeline*

INNOVATION

PRODUCTS TO WATCH 248

EXECUTIVE LIFE

HOW TOP MANAGERS MANAGE THEIR TIME 250

The best executives know how to choose priorities, make a schedule, and get the most out of meetings and travel. *by Erik Calonius*

DEPARTMENTS

EDITOR'S DESK 8

INDEX 11

NEWS/TRENDS 16

Favorite vacation spots for the brass, Bush and taxes, a $15 million car, Europe's CEOs on one Germany, the musical MBA, and more.

FORTUNE FORECAST 41

Capital spending—with aircraft and computers providing the main oomph—will help see the economy through. *by Joseph Spiers*

PERSONAL INVESTING 45

Cellular stocks have slumped—so now may be just the time to buy. *by Andrew Evan Serwer*

Also: the bright side of the mess at Manpower, you *can* unload a limited partnership, and Portfolio Talk with Gary Brinson of Brinson Partners.

FORTUNE PEOPLE 265

Jack Kluge's other divorce, picking up where Pickens left off, an heir apparent at Teledyne, and more. *by Mark M. Colodny*

ON THE RISE 266

BOOKS & IDEAS 283

A Harvard economist offers a strong defense of supply-side economics. *by Lawrence Kudlow*

OTHER VOICES 287

Expanding service exports could blunt America's trade deficit with Japan. *by N. Chandra Mohan*

LETTERS TO FORTUNE 290

KEEPING UP *by Daniel Seligman* 293

WHY THERE WILL BE ENOUGH CREDIT

If regulators don't go overboard, the economy will get all the money it needs. Loan demand has weakened, and banks remain eager to finance good projects. ■ *by Vivian Brownstein*

WHETHER they were really speaking to bankers or to their own troops, the regulators who in early May urged banks not to be too tough on customers were responding to growing anxiety about a possible credit crunch. Business, governments, and individuals borrowed $700 billion last year to finance everything from multibillion-dollar mergers to new roads to a running tab at the corner bar. But over the past few months the atmosphere in credit markets has changed dramatically.

The S&L debacle has disrupted real estate financing. Commercial banks are pressed by losses, new capital requirements, and examiners eager to prove how alert they are. Interest rates are up, and higher inflation has made lots of people think that the Federal Reserve is likely to tighten further. Abroad, Eastern Europe suddenly seems like a magnet for the foreign funds that have been streaming into the U.S. Will a credit crunch bring the world economy up short, or at least curtail the eight-year-old U.S. economic expansion?

The answer is no—but with a couple of caveats. First, consider that putative worldwide shortage. For the near future, the higher interest rates expected abroad, especially in Germany, won't keep money from flowing to the U.S. With its huge markets and stable government, it is still where investors want to be. Nor will much leave the U.S., since Americans don't invest heavily in foreign bonds. Over the long haul, however, lower global savings rates and growing capital demands could be on a collision course.

In the U.S. the issue is liquidity—that is, the flow of available capital. Serious problems do exist, even for some well-established companies: The junk bond market is prostrate (see next story). Many loan customers are in a bind—their local S&L folded, or examiners forced their commercial bank to revalue the project. These borrowers have to find new lenders, pay more, and maybe settle for smaller loans than they would like. At least a few won't be able to make any new connection. Banks are more skittish than they were a short while ago, probably more so than necessary. Hyperactive bank regulators have made life unnecessarily hard for some lenders and borrowers.

But as the chart indicates, the total amount of available credit is still increasing—only not as fast as in the go-go years just past. The slowdown mainly reflects a long-overdue mop-up of sloppy lending habits, as well as a decline in legitimate loan demand. The new rule for borrowing: Only quality qualifies. No evidence supports the notion that large numbers of creditworthy borrowers are being shut off.

The squeeze on real estate lending be-

REPORTER ASSOCIATE *Terence P. Paré*

Developers had no trouble financing the Franklin Tower building, now rising in Washington, D.C.

gan with a fall in demand for housing and commercial construction. Part of the Eighties boom should never have happened—apartments, offices, and commercial buildings were put up purely on speculation. Says Robert Dederick, chief economist at Chicago's Northern Trust Co.: "The commercial real estate market was being force-fed money by banks and nonbank institutions such as insurance companies and pension funds." The result: Real estate markets are overbuilt, vacancy rates are high, and some prices have dropped sharply. Developers and their bankers have learned once again that the balloon does not float upward forever.

Some analysts fear that a lack of credit will turn a construction decline into a collapse. That does not seem likely, though many developers are having trouble since they can't count as much on the sources of funds they have grown to rely on. With 17% of S&Ls in or about to be in the hands of the Resolution Trust Corp., the thrifts are now net takers of funds, not lenders (see table). Despite the ever-growing size of the bailout, the worst of the industry's operating problems seem to be in the past, according to James Freund, acting chief economist at the Office of Thrift Supervision. He reports that of the 2,597 S&Ls that had not been taken over, 70% were profitable in 1989. The bulk of losses for the remaining 30% reflected sales of marked-down assets or increased loan-loss provisions. All along, healthy thrifts have remained active in the mortgage and construction loan market. Says Freund: "A substantial segment of the institutions are going about their business successfully."

The regulators have curbed some of the S&Ls' lending activity, however. Complex new regulations effectively raise their capital requirements and limit loans to individual borrowers. Though most S&Ls now comply, the rules are getting progressively tighter. These drastic changes are forcing many to shrink to survive. The harshest restriction, bringing the loudest protests from the industry, is the cap on loans to one borrower—$500,000 except with special permission from the OTS. At best, loan volume for the S&L industry may remain about what it is now.

Commercial banks are under a different sort of pressure. Robert L. Clarke, the Comptroller of the Currency, gets the blame for what some in the industry claim is a paralyzing regulatory assault. His armies of examiners are accused of forcing banks to make huge, unnecessary additions to their reserves, and of all but telling them not to make certain loans.

Some of those examiners have been indeed overzealous, but so far banks continue making new loans for construction and virtually everything else. And why shouldn't they? "It's almost counterintuitive that banks would not make good loans—that's the way they make money," says Federal Reserve Board Governor John P. LaWare. Look at the numbers: Banks added to their loan and securities portfolios at a 6.4% annual rate during the first quarter, about the same pace as in 1989. Commercial and industrial loans declined for several months, but even that drop looks to be over. They bounced up again in March.

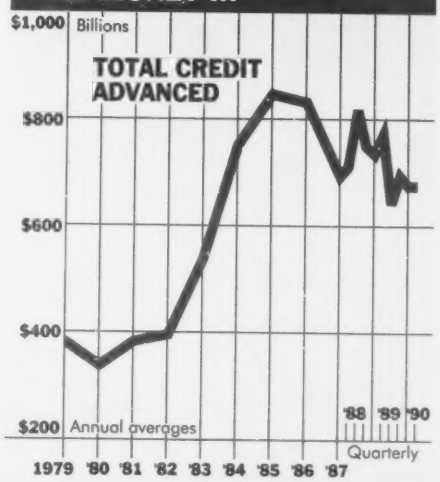
Real estate lending by banks has increased three times as much as other lending. Eugene J. Sherman, chief economist of the Federal Home Loan Bank of New York, points out that the economy isn't suffering from the regulations imposed on the S&L industry because commercial banks, along with the remaining healthy thrifts, are taking up the slack. One reason: Only half as much capital backing is required for mortgages as for commercial loans. Says Brian Bernstein, executive vice president of the Washington, D.C., development company that bears his family name: "Banks are very, very picky these days, but when we have a good deal, they compete against each other to lend us money."

Nonbank sources are supplying plenty of money for borrowers of all stripes. Nonfinancial corporations fill nearly 30% of their short-term borrowing needs outside the banking system. Commercial paper accounts for about 40% of that, some $135 billion in all. The volume of paper issued by corporations jumped 66% in the past two years and is still rising fast. In the same period, corporate bonds outstanding climbed 30% to some $990 billion. That doesn't mean credit is as easy to come by as it was, short or long term. As with banks, standards for borrowing in the open market have become more rigorous, though interest rates on short-term commercial paper are still below those of year-end 1989.

Business is booming for finance companies such as GE Capital and General Motors' GMAC—outfits known as asset-based lenders because they take liens on borrowers' equipment or facilities. Originally set up to underwrite sales of the parent company's appliances or cars, they have long since turned to providing credit for everything from real estate to LBOs. Says Frank Murphy, former chief economist of GE: "These credit subsidiaries aren't saddled with the restrictions and requirements banks have to contend with, and they can lean on the cash flow of the parent corporation for support if necessary."

WHAT ABOUT smaller business borrowers who don't have ready access to funds outside of banks? The evidence is generally upbeat. In its latest survey the Federal Reserve Board reports problems in only a few regions where overbuilding was worst, most notably New England. Month after month, polls of a rolling sample of the 570,000-member National Federation of Independent Business have turned up virtual-

THE MONEY ...



... AND THE SUPPLIERS

LENDER	PERCENT OF TOTAL CREDIT SUPPLIED		
	1987	1988	1989
Finance companies, mutual funds, brokerages	11%	12%	32%
Pensions and insurance companies	30%	26%	26%
Commercial banks	20%	21%	25%
Households, nonfinancial businesses, government	4%	11%	17%
Foreign institutions	15%	14%	11%
Savings institutions	20%	16%	–11%

ly no increase in the difficulty of borrowing. Fewer than 10% of those responding say credit is harder to get or that they expect it to be harder in the future.

If there is no general crunch, why all the moaning? For one thing, credit costs more now. Long-term interest rates have risen a percentage point so far this year. Partly as a result of higher inflation in the U.S. and around the world, FORTUNE expects short-term interest rates to rise a point or more by the end of 1990, pulling long rates up another half point or so.

The big change is in the conditions lenders are setting. Robert Clarke and others from the Comptroller's office repeat a simple message *ad nauseum*: Standards haven't changed, the markets have. Well, yes and no. On paper the standards may not be new, but regulators are applying them in a new way. Speaking privately, many bankers and builders say the crackdown on loose lending practices is overdue, especially in real estate. Says a banker: "It's a good thing the regulatory people are doing, but they should have been doing it before." And a builder: "It is similar to the air traffic controllers. When they start enforcing the rules, there are delays and a lot of complaints."

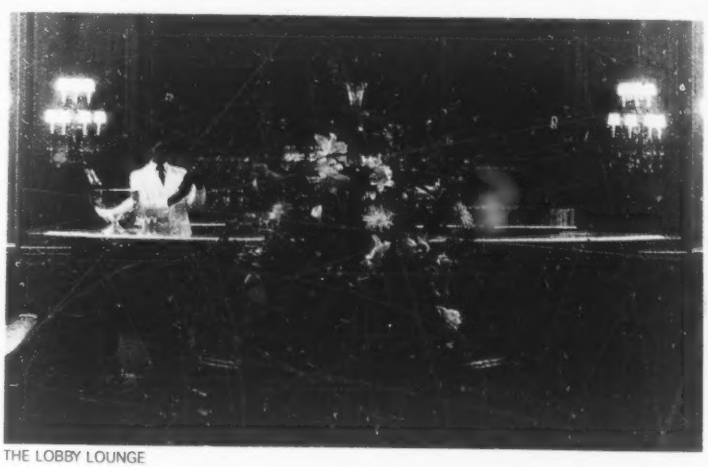
Speaking privately, many bankers and builders say the crackdown on loose lending practices is overdue, especially in real estate.

Regulators are up front about acknowledging old mistakes. Says Clarke: "We would tell a bank, 'We think you are engaged in loose practices.' But the bank would say, 'Where are the bad loans? The market is booming.' We should have taken enforcement actions where necessary." All too often banks would lend 100% of the expected value of a project—plus enough to pay the interest, at least for a while. According to Leonora S. Cross, director of communications at the Comptroller's office, many appraisals were out of date or nonexistent. These abuses had been going on for a while and obviously weren't up to the standard of good banking practices on the books.

Nonetheless, the message the regulatory officials—Clarke, Fed Chairman Alan Greenspan, and L. William Seidman, head of the Federal Deposit Insurance Corp.—delivered to banks implicitly acknowledged that the crackdown could be too much of a good thing. Already depressed, real estate prices will be pushed down even more as the assets of failed and downsizing S&Ls are sold off. The Resolution Trust Corp. plans to have sold 141 institutions by June 30. But as a result, say some market analysts, appraisers and auditors are under pressure to be overly negative about values when they look at commercial bank loan portfolios for future problems. The concern is that the sell-off will depress the values of those holdings. Some of the Comptroller's bank examiners *are* heavy-handed. According to many complaints, when a bank's loan officer says a loan should be written down by 20%, examiners are rou-

4.07pm. The Regent Beverly Wilshire.

Upstairs, a guest anoints herself with perfume in anticipation of a rendezvous.



THE LOBBY LOUNGE

On the corner of Wilshire Boulevard and Rodeo Drive. The standard by which luxury is judged.

the Regent
BEVERLY WILSHIRE
BEVERLY HILLS
A REGENT® INTERNATIONAL HOTEL
A member of "The Leading Hotels of the World"

AUCKLAND. BANGKOK. BEVERLY HILLS. CHICAGO. FIJI. HONG KONG. KUALA LUMPUR. MELBOURNE. NEW YORK. SINGAPORE. SYDNEY. TAIPEI.

(800)545-4000

tinely saying, "Take 50%." So-called—and already infamous—nonperforming performing loans have bankers screaming. Examiners are classifying some loans as nonperforming even when all the payments have been made on time; they're saying the borrower is likely to fall behind in the future. So the bank has to set aside a larger loan-loss reserve and can make fewer new loans.

FORTUNE's economists are not forecasting a recession, but regulatory overkill could certainly increase the chances of one. The message for the examiners: Be sensible. Evaluations needn't assume that the worst will happen in the market—such assumptions are likely to be self-fulfilling. Bankers also need to know that their judgments won't be second-guessed at every turn. As an Ohio banker puts it: "If you try to fix a problem on short notice when it has developed over a long period, the fallout could be serious."

The agencies charged with maintaining a sound banking system are also trying to figure out how to prevent the next mess. That's a refreshing change, but here, too, they could go astray. Clarke's office has developed a screening model for determining when markets are going soft. And Seidman has a similar project to pinpoint weakening real estate markets before they fall apart. These may prove helpful in aiding bank examiners' evaluations. But already a Seidman report, pointing to California as the next potential problem area, has probably scared off some perfectly legitimate projects. If the bubble of expectations bursts suddenly, reverberations from the collapse of one overheated market could echo through the whole economy.

THE TROUBLE is that bank regulators now seem determined to prevent bank failures at any cost. Zero-risk regulation exacts its own penalties. Should regulatory officials impose their judgments about business conditions on people whose profession consists in large part of assessing credit risks? Albert Wojnilower, senior adviser at First Boston, thinks the U.S. is, paradoxically, more regulated now in this age of deregulation than 20 years ago. Though the rules are more permissive, he says, there's also more arbitrary ad hoc intervention in management decisions of a sort that used to be considered unacceptable. The public clearly has a stake in bank management; after all, it's paying for the S&L bailout. But the public's interest will be best served by consistent enforcement of whatever rules are agreed on, leaving day-to-day business decisions to business.

It's too soon to know whether long-term capital shortages will hamper worldwide activity in the Nineties. But clearly, fears of a near-term liquidity crisis are overblown. Don't forget how ingenious credit markets can be. People with money and others who need it are hard to keep apart. Christopher L. Snyder Jr., president of Loan Pricing Corp., recalls the emergence of the Eurodollar market, the modern CD, and commercial paper. All were spawned in credit crunches. What's next? Snyder says that the resale market for corporate loans, which developed because of the pressures on banks during the 1980s, is poised to become much bigger and more sophisticated. Whatever vehicles emerge, count on available capital continuing to flow to legitimate borrowers. F

Prepared as a public service by Ogilvy & Mather

Will this become the only way to save the jaguar?

The choice is yours. Either save the photo above. Or, help World Wildlife Fund fight poachers, create nature reserves, hire guards, do research, and change things. Help us save life on earth.

World Wildlife Fund

Dept. A, 1250 24th St. NW, Washington, D.C. 20037

WWF®

JUNK'S BAD TIMES ARE JUST STARTING

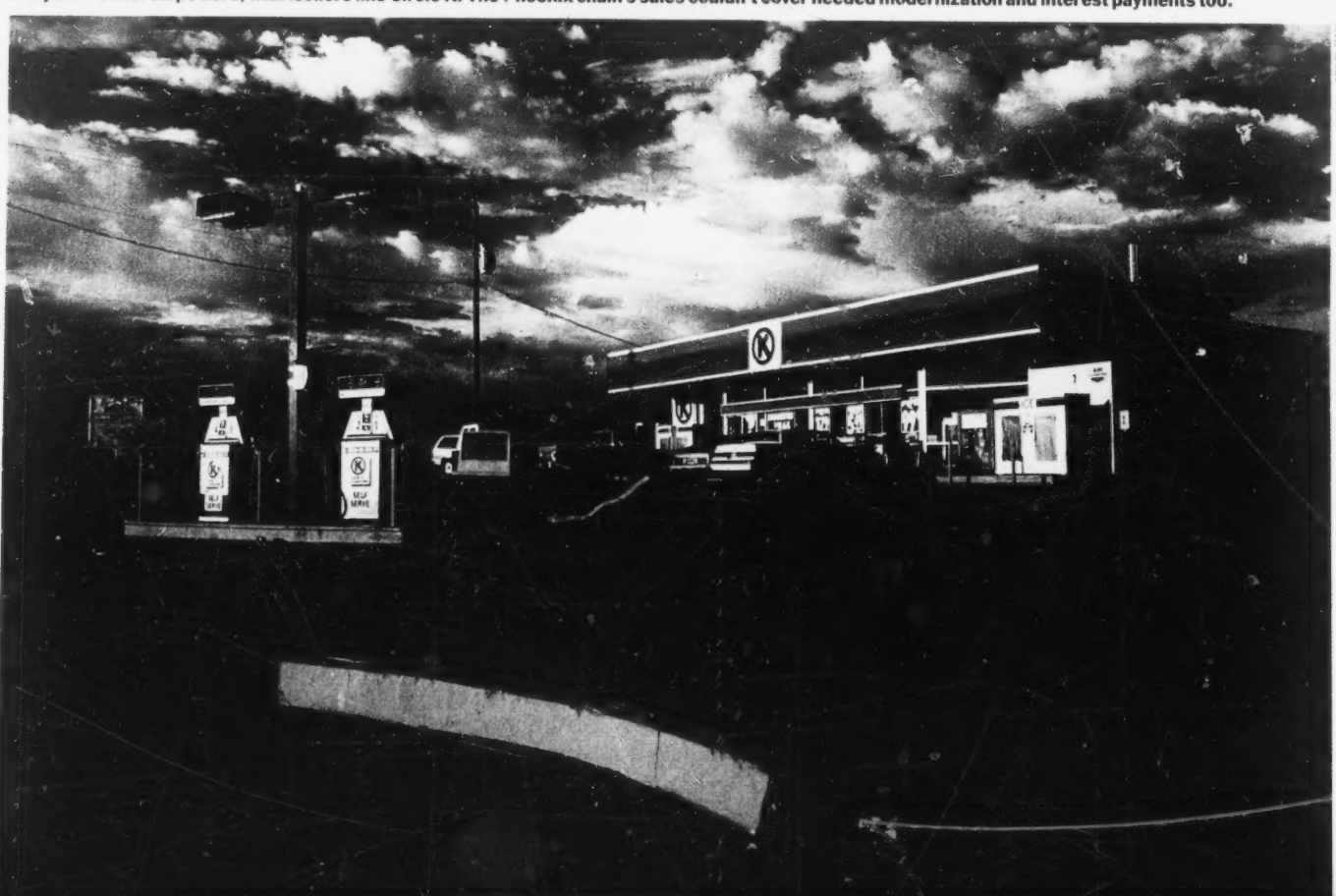
Expect a lot more defaults. The collapse of the high-yield bond market spells trouble for banks, insurers, mutual funds, and people who never touched the stuff. ■ *by Gary Hector*

THE JUNK BOND market's contraction has been even more breathtaking than its epoch-shaping expansion. Just a year ago high-yield underwriters completed their biggest deal ever, the $25 billion leveraged buyout of RJR Nabisco. Then the market began to unravel. By the end of the first quarter of 1990, the average price of an actively traded junk bond had tumbled some 15%. Selling new bonds has become nearly impossible. The well-oiled junk market machinery that churned out bonds at an average rate of $2.3 billion a month last year had trouble selling $375 million in the first *three* months of this year.

Defaults of high-yield bonds like those of Campeau Corp. or Circle K are at record levels, with growing numbers of borrowers operating at the edge of insolvency. Those healthy enough to afford it are buying back their debt—"deleveraging" in the jargon of Wall Street. As they do, they reduce even more the pool of top-grade junk available to buyers. Though it is hard to pin down a number—many junk issues don't trade regularly and hence can't be priced accurately—analysts estimate that the high-yield bond market has shrunk from a total size of around $220 billion at its peak to something in the range of $120 billion to $160 billion.

The consequences will sweep through the economy, touching people and businesses that have never thought much about junk. Lack of financing could curtail new investments by middle-size companies and the jobs they would create. Some insurance companies, and the pension funds that invested in their products, are loaded with the bad old stuff, threatening the future income of retirees. Millions of workers and

The junk market stops here, with issuers like Circle K. The Phoenix chain's sales couldn't cover needed modernization and interest payments too.



WHAT JUNK BOND DEALS HAVE MEANT TO BANKS

BANK	TOTAL "HIGHLY LEVERAGED TRANSACTION" LOANS ($ billions)	HLT LOANS AS PERCENT OF SHAREHOLDERS' EQUITY	PROBLEM HLT LOANS ($ millions)	1989 FEES FROM HLT LOANS ($ millions)	FEES AS PERCENT OF INCOME*
Citicorp	$8.7	86%	$502	$207	15
Bank of Boston	$5.3	253%	$222	$37	53
Wells Fargo	$5.1	175%	$170	$65	11
Chase Manhattan	$4.5	90%	$50	$115	19
Bank of New York	$4.2	152%	$97	$22	5
Security Pacific	$4.1	88%	$49	$67	9%
NCNB	$4.0	135%	$33	Undisclosed	Undisclosed
Bankers Trust	$3.6	151%	$312	$229	38
Chemical	$3.1	84%	$64	$107	24
Manufacturers Hanover	$3.0	89%	$47	$117	34%

* Net income for 1989 restated by Keefe Bruyette & Woods to exclude special items, including one-time special reserves against loans to less-developed countries

With the junk bond market dead and regulators watching closely, banks are making scarcely any loans for LBOs or other highly leveraged transactions. Problem loans are growing and fees from deals evaporating. It all adds up to a likely—and big—hit to some banks' earnings in 1990.

investors who never cared about junk bonds when they were riding high could come to loathe them after the fall.

Where will the pain be most severe? A partial list:

■ Medium-size and large companies that relied on the junk bond market face a credit squeeze. As the market dries up, banks and other lenders are tightening their standards (see preceding story). The private market for junk bonds, in which insurance companies buy them directly from issuer corporations, is as dead as the public market. Says Homer Rees, president of Prudential Capital Corp., the merchant banking arm of Prudential Insurance: "The entire machinery has almost ground to a halt."

■ Overstretched junk bond borrowers, especially small former clients of Drexel Burnham Lambert, will find it hard to survive. The greatest burden will fall on those laden with zero-coupon, payment-in-kind, or reset bonds, designed to keep interest payments artificially low in the first few years after a financing. As the bonds age, the burden on the issuers will grow. Borrowers will be left to make steadily increasing interest payments or to refinance—an unlikely prospect given the market's current illiquidity.

■ Bankruptcies will increase. One contributing cause: a January federal court ruling against holders of LTV bonds. As LTV struggled to keep afloat in the mid-1980s, some of its bondholders agreed to swap their securities for paper of lesser face value. After LTV went belly up, the court held that bondholders who had agreed to the swap could recover only the value of the securities they accepted. Those who didn't swap could go for 100 cents on the dollar of their original bonds. As a result, many bondholders now refuse to exchange securities, making it tougher for troubled companies to avoid bankruptcy.

■ Profits of commercial banks will be hit. Loans to junk-financed companies are increasingly going bad. The collapse of the junk market and pressure from bank regulators have cooled banks' enthusiasm to make new loans for LBOs and other highly leveraged transactions. A drop in loan volume will crimp profits. The fees banks earn for helping finance big junk-powered takeovers will plunge. In 1989 those fees added just under $1 billion to the income of the ten largest commercial banks. As the table above suggests, watch for signs of suffering at Bank of Boston, Bankers Trust, and Manufacturers Hanover.

One veteran says of the private market for junk: "The entire machinery has almost ground to a halt."

■ Investment bankers will lose not only their bonuses but their jobs. They will find it hard to replace the fees they earned arranging LBOs and underwriting junk bonds. Securities Data Co., a Newark, New Jersey, research operation that follows the investment banking business, says that firms earned $808 million in fees from underwriting junk last year. In the first quarter of this year those fees plunged to $11 million.

■ Insurance companies, pension funds, and other institutional investors will suffer as well, though the extent of their wounds may never be disclosed. Accountants permit them to carry junk bonds at or near cost rather than at market value. That means losses are hidden until the insurers sell their securities. If the economy worsens, so could losses on their junk bond portfolios. With insurers holding bonds worth about $60 billion at face value, the damage could easily run to more than $10 billion.

Behind the junk bond market's problems are growing concerns about creditworthiness. What shattered the calm last year was a rush of defaults—amounting to 5.6% of all the companies that have issued junk. That was well above the average annual default rate, much touted of old by junk's advocates, of 3.6% over the preceding 20 years.

The default rate in 1990 and beyond could go higher. Both Moody's Investors Service and Standard & Poor's foresee scary times ahead. Moody's vice president Christopher L. Baldwin predicts that the

REPORTER ASSOCIATE *Mark D. Fefer*

rate could be greater than 10% this year—a forecast that looks more likely every day. With the collapse of Campeau Corp. and the unraveling of William Farley's proposed acquisition of West Point–Pepperell, defaults of rated bonds in the first four months of 1990 totaled about $9 billion—nearly equal to the total for all of 1989.

Traditional measures of credit quality aren't reassuring. More of corporate America's earnings go to pay interest now than at any time in the past. At the end of last year interest for all corporate borrowers equaled 43% of "EBIT," earnings before interest and tax payments. That's up from 18% a decade ago. Total debt amounts to over 90% of net worth, vs. 54% ten years ago. Over the past two years the percentage of securities that Moody's rates either B3 or Caa, those it thinks most likely to default, increased from 19% of the high-yield bonds outstanding to 30%. Ba-rated bonds, the most creditworthy junk, fell from 38% of the total to 25%.

Fears of default have driven junk yields to record highs. In 1989 the spread between junk and ten-year Treasury bonds topped eight percentage points. That's one reason the new-issue market has dried up. In January, for example, Sullivan Graphics, the last LBO to sell junk debt in the public market, paid lenders 15% interest. But to sell the bonds, underwriter Merrill Lynch had to give buyers its 10% equity in the outfit. James T. Sullivan, who led the buyout of his company, calculates that bondholders in effect ended up getting a return of about 18% per annum. Even then, he says, "it was not easy to do. Merrill took a real pounding."

If such high premiums look enticing to you as an investor, consider that they may not be high enough to compensate for the risks you take. Edward Altman, a junk bond expert and professor of finance at New York University's Stern School of Business, analyzed the spreads between junk and Treasuries earlier this year to determine what level of defaults the market appears to be expecting. He came up with a range of 7% to 9%. If the market is wrong, and the Moody's prediction of over 10% is right, junk bond prices these days could be on the high side.

Those who still see the yawning spreads as a reason to buy junk must contend with another problem: A host of big junk bond investors either aren't buying new bonds or are trying to unload the bonds they own, which will continue to depress prices.

Among the most active sellers are the nation's savings and loans, which once held 7% of the high-yield bonds outstanding. Congress has given them five years to unload all their junk. Some $4 billion of the bonds have already passed to the control of Resolution Trust Co., created to work out the problems of troubled thrifts. Another $3.5 billion is on the block from Columbia Savings & Loan, an insolvent S&L in Southern California that is likely to be taken over by the RTC. The RTC won't say how fast it will sell the bonds it owns, but it may well dump $1 billion or more onto the market annually.

Would that keep prices depressed? You bet. Last year, when the high-yield market was absorbing over $2 billion a month of new debt, the sale of those securities might have gone unnoticed. Today, with buyers barely able to handle $100 million a month in new debt, the threat of sales by the RTC hangs over the market like a death sentence.

EVEN MORE OMINOUS is what's happening in the insurance industry. Life insurers own some 30% of all high-yield securities. According to Conning & Co investment bankers who specialize in the industry, the 50 largest insurers stopped adding to their junk holdings last year. If regulators get their way this year, insurers may start selling soon.

The National Association of Insurance Commissioners, a group that advises state regulators, convened a special panel in March to develop a tougher rating system for high-yield bonds and to recommend a limit on total holdings of junk. The changes NAIC is thinking about phasing in over five years would raise the cost of holding junk paper by increasing the reserves insurers have to set aside to cover losses on it. The new rules, already approved by several state regulators, will require some privately placed junk bonds and perhaps 400 publicly traded issues to be backed by higher reserves than the companies have socked away so far, and those reserves will have to be established more rapidly than in the past. Insurers with strong earnings and plenty of capital won't bat an eye, but those without could be forced to sell securities. How heavy the dumping will become should grow clearer later this year, when NAIC adopts final rules.

One company certain to feel the bite is First Executive Corp., parent of Executive Life Insurance Co. of California, a huge bettor on publicly traded junk bonds, and one of the biggest customers of Michael

JUNK LOSSES OF THE BIGGEST INSURERS

INSURER	MARKET VALUE OF JUNK ($ millions)*	AS PERCENT OF INVESTED ASSETS	REPORTED DECLINE IN VALUE	
			As % of cost	As % of bond loss reserve
Equitable Life	$13,942	6%	0.5%	11%
Executive Life California	$9,271	51%	6.1%	104%
Jackson National	$7,112	15%	0.5%	19%
Transamerica Life	$6,699	2%	0.4%	44%
Keystone Provident	$5,210	5%	0.0%	2%
Aid Assn. for Lutherans	$5,175	1%	0.1%	10%
American Family	$4,608	0%	0.2%	7%
New England Mutual	$4,326	3%	0.4%	14%
Pacific Mutual	$4,290	4%	0.4%	14%
Equitable Variable	$3,802	7%	0.1%	2%
Lutheran Brotherhood	$3,466	6%	0.1%	3%
Kemper Investors	$3,108	14%	0.8%	29%
Penn Mutual	$2,761	2%	0.7%	26%
Minnesota Mutual	$2,588	3%	0.2%	7%
General American	$2,034	3%	0.4%	12%
Southwestern Life	$1,640	10%	2.1%	269

SOURCE: CONNING & CO.

Insurers divulge little about losses on junk: They carry many troubled bonds at or near cost, minimizing the reported decline in value. But new regulations could force some to sell at distress prices.

Milken and Drexel Burnham. First Executive took an $859 million hit against profits in the fourth quarter of 1989 to build a reserve against losses in its $7.2 billion junk portfolio. It wrote some bonds down to zero, including those of Southland, the bankrupt owner of the 7-Eleven chain, and established a cushion for losses on other thinly traded securities that are worth far less than par value in today's market. Whether the company's reserve is enough is anyone's guess—First Executive won't reveal the total—especially with junk prices still falling.

FIRST EXECUTIVE'S survival doesn't seem to be in immediate question. A recent review of its financial condition by the California Insurance Commissioner concluded that the company could weather two years of back-to-back 20% declines in the junk bond market, substantial redemptions of its insurance in force, and no growth in new business for five years—about as dismal a set of prospects as the economy is likely to afford. Fred Carr, First Executive's top executive, says any thought that he will start unloading junk is absurd: "We're extremely liquid, and we've got more than $1 billion in capital." Investors worry nonetheless that some combination of regulatory rulings and financial pressures could force a change of mind.

While Carr may not rush to sell, neither will anyone be rushing to buy. The only likely prospects with ample cash are the nation's high-yield mutual funds. But they're the owners of about 30% of all junk bonds, and they're feeling cautious. Many investors have bailed out, and the funds' assets have declined by about 30% between the middle of last year and the end of the first quarter. The funds are hoarding cash, lest another surge of defaults lead to further redemptions.

The only eager buyers are the companies that issued the debt in the first place.

The only eager junk buyers are the companies that issued the debt in the first place. A borrower that can retire a debt with a face value of a dollar by buying it back for 65 cents gets to record a 35-cent profit in the bargain. It is, however, almost impossible to gauge how big this part of the market has become The list of companies buying back their debt in the first quarter is fairly long and includes Owens-Corning Fiberglas, ARA Services, and the Home Shopping Network. A few million here, a few million there, eventually it could add up, especially in today's weak market. Eventually. "It's still a very small market," says John Nickoll, co-chief executive of the Foothill Group, a Los Angeles company that lends money to junk bond issuers that want to buy back bonds.

For would-be investors in junk who still aren't dissuaded, the experts offer one overarching piece of advice: Be discriminating. "The market has not totally lost its senses," observes Martin Fridson, head of high-yield research at Merrill Lynch. "Bonds with very little default risk offer yields of 12% to 13%. Stuff that has done poorly may be at 28%. It's not just shooting fish in a barrel. You have to be much more credit-conscious, much more particular about the securities you buy."

The only way to find bargains, which analysts insist are out there, is with calculator-numbing analysis. Research on high-yield securities is flourishing on Wall Street, with analysts boring into everything, including the fine print in bond agreements. Thanks to their research, one of the best indicators of a bond's risk is its yield: The higher the yield, the higher the risk. Analysts see safety in stable earnings, relatively low leverage, and a tidy pool of capital to protect the investor in case things go wrong. Duff & Phelps, a rating agency based in Chicago, focuses on cash flow available to meet interest charges and excess cash available to repay debt coming due in the future.

Traders say today's biggest bargains are in single-B rated paper or below, but that's also where the highest default rates are. About 7% of single-B's default each year, while a substantially higher percentage of Caa's stop paying. Another problem: It's in the single-B category that buyers start becoming scarce. The spread between bid and asking prices on an individual bond can run to $10 on a $1,000 bond, which means selling it in a hurry could be impossible without taking a huge loss.

THIS IS ALSO the part of the market in which gyrations are all too frequent—both good and bad. Negative stories about Donald Trump's financial situation sent the bonds of the Trump Castle tumbling six points in a single day, while bonds of Ampex Group, a New York maker of high-quality audio equipment, bounced up seven points on the strength of a single positive report from Merrill Lynch.

The penalty for guessing wrong can be harsh. One of professor Altman's most recent studies, financed by the Foothill

HOW JUNK MUTUAL FUNDS HAVE FARED

FUND	ASSETS END OF FIRST QUARTER ($ millions)	PERCENT DECLINE IN VALUE OF JUNK HOLDINGS*	TOTAL RETURN TO INVESTORS YEAR ENDED 3/31/90†
Skyline Monthly Income	$10.3	2%	7.86%
Champion High Yield	$16.8	5%	5.52%
Colonial Income Plus	$155.5	7%	1.49%
Lord Abbett Bond-Debenture	$608.7	13%	0.66%
Vanguard Fixed Income	$809.9	12%	-2.08%
Prudential-Bache High Yield	$2,063.2	13%	-7.34%
Putnam High Yield Trust	$1,744.3	17%	-9.49%
IDS Extra Income	$969.5	19%	-11.48%
Keystone B-4	$683.3	25%	-11.84%
First Investors Fund/Income	$1,014.3	22%	-13.95%
First Investors High Yield	$649.1	17%	-14.62%
United High Income	$875.1	24%	-15.57%
Dean Witter High Yield	$859.3	41%	-20.66%
Alliance Bond Fund High Yield	$138.4	24%	-23.47%

*Reporting dates vary from December 31 to May 3. †Assumes reinvestment of dividends.

SOURCE: FORTUNE, LIPPER ANALYTICAL SERVICES

Losses at high-yield mutual funds reflect the carnage in the junk market. The crash in bond prices has held down total returns to investors despite interest payments that run upwards of 12%.

Today We Saved A Life..

Today a child who had been blind from birth saw the love in her mother's smile.

Today a woman who had been told she could never have a child, gave birth to a beautiful little girl.

Today a man once haunted by depression was able to conquer his sadness and despair.

Today a man was given a new kidney and a whole new life.

Today a little boy, born without legs, walked home from school.

Today an elderly woman, deaf from early childhood, heard the sound of her voice.

And, most precious and wonderful of all, today we saved a life.

Give so that we can do more. And more. And more. Give to your local non-profit hospital.

Give To Life.

National Association For Hospital Development

NAHD

©N.A.H.D.

GOOD AND BAD BUYS IN JUNK

GOOD BUYS	ISSUE	S&P RATING	RECENT PRICE	RECENT YIELD TO MATURITY
Carolco Pictures	14 Sr Nts 1993	B+	$87.00	19.20%
Chiquita Brands	11 7/8 Sub Deb 2003	B+	$97.00	12.34%
Comcast	11 7/8 Sr Sub Deb 2004	B	$95.50	12.56%
Embassy Suites	11 Sub Deb 1999	B+	$92.00	12.51%
Fruit of the Loom	12 3/8 Sub Deb 2003	CCC	$88.00	13.97%
Home Shopping Ntwk.	11 3/4 Sr Nts 1996	B+	$90.00	14.17%
Int'l Technology	9 3/8 Sr Nts 1996	B	$77.75	13.48%
Live Entertainment	14 1/2 Sr Sub Nts 1999	B+	$92.00	15.85%
National Intergroup	11 1/5 Sub Nts 1996	B–	$84.00	14.62%
Orion Pictures	10 Sub Deb 1994	B–	$81.00	17.11%
Quantum Chemical	13 Sr Sub Deb 2004	B	$85.00	15.05%
Stone Chemical	13 5/8 Sub Nts 1995	BB–	$97.50	15.42%
Turner Broadcasting	12 Sr Sub Deb 2001	B	$100.50	11.90%
Viacom	14 3/4 Sub Disc Deb 2002	B	$89.00	13.70%
Vons	13 Sub Deb 2001	B–	$101.00	12.82%

BAD BUYS	ISSUE	S&P RATING	RECENT PRICE	RECENT YIELD TO MATURITY
AMC Entertainment	11 7/8 Sr Sub Deb 2001	B–	$77.25	16.37%
Ames Dept. Stores	13 Sr Sub Reset 1999	B	$26.00	52.30%
Ampex	13 1/4 Sr Sub Deb 1999	B–	$45.00	32.03%
Aztar	13 1/2 1st Mtg. Bond 1996	BB–	$87.50	16.76%
Best Products	12 5/8 Sr Sub Notes 1996	N.R.	$93.45	14.18%
Community Newspapers	0 Sub Deb 1997	N.R.	$28.00	46.12%
Farley	15 5/8 Sub Notes 1998	CCC+	$14.00	108.18%
Forstmann Textile	14 3/4 Sr Sub Notes 1999	CCC+	$41.00	44.39%
Greyhound Lines	13 Sr Notes 1995	B	$46.00	34.00%
Interco	14 1/2 Jr Sub Deb PIK 2003	CCC+	$5.25	244.35%
JPS Textile	13 1/2 Sr Notes 1996	B	$50.00	33.00%
Southland	0 Sr Sub Notes 1997	B–	$18.25	23.61%
Tracor	14 Sr Sub Notes 1998	B–	$15.25	86.90%
Trump Castle	13 3/4 1st Mtg. Bond 1997	N.R.	$65.25	24.23%
Trump Plaza	12 7/8 Mtg. Bond 1998	N.R.	$82.00	17.05%

N.R. = Not rated

A tricky market to pick in: Los Angeles research firm Houlihan Lokey Howard & Zuckin identified 15 bonds worth buying, while Chicago's Duff & Phelps suggested 15 to avoid despite their S&P ratings.

Group, turned up about $33 billion of "distressed" junk bonds that offer yields ten percentage points or more above Treasury securities. Altman says about half of these are likely to default.

For the average investor, the junk bond market is a perilous place, then. Information doesn't flow freely, prices can swing violently, bonds that trade easily one day will be almost completely illiquid the next.

This is the way the market worked before Michael Milken. Junk holders want to believe that their day in the sunshine isn't over, that the financial instrument Milken left behind will regain the force it had when it made managements tremble and ruled the world of takeovers. More likely, when the shrinking finally stops and the final damage reports are in, the market will have returned to what it was before the Roaring Eighties: a modest if treacherous backwater in the world of finance. F

THE MYSTIQUE OF PRIVATE CLUBS

Should you, as a manager, join a club? Absolutely—and more of your colleagues than ever are doing so. Will it help your career? Well . . . is that really the point? ■ *by Alan Farnham*

JEFFREY MACNICOL

A passel of CEOs, a lawyer, and a stray accountant chow down on Denver Club fried chicken.

AROUND THE U.S. private clubs are booming as they have not boomed in ages. Not that long ago even as prestigious a club as New York's Knickerbocker had to recruit new members. But waiting lists now range from one or two years, up to 33 at the Bohemian Club of San Francisco. A man who languished 15 years on the Bohemian's doorstep now sighs happily, "Every time I walk in the door, I say to myself, 'It was worth it.' "

Though clubs' resurgence is a national phenomenon, the physical evidence of it is especially obvious in Manhattan, where new clubhouses are being created for the first time in living memory. One, fashioned from an old midtown structure by Cornell's alumni, opened late last year. Another, similarly created by Penn, should go on line late in 1991. Both report that rosters are filling fast. What's the deal here? Are clubs giving away a complimentary horsehair sofa with each membership?

They don't have to. Clubs provide intrinsic value. As more of them drop racial, ethnic, or sexual barriers to entry, membership can be seen for what it is—a terrific buy—rather than as a political liability or ethical dilemma. To be sure, the precise benefits of a club can be a bit ethereal. Is getting the right membership essential to your assault on the corporate Everest, the vital move that will guarantee you're present when the megadeals are hatched? Short answer: Don't count on it. Longer answer: It's possible but unlikely, and on consideration maybe you don't *want* your club to be a launch pad into executive orbit.

Before going further, let's clarify our terms: We aren't talking here about country clubs. Country clubs are nice, too, in their way, and are enjoying their own spurt of popularity, thanks to the renaissance of golf. But the clubs we propose to discuss view golf as a wanton display of vitality. These clubs don't just lack greens; they lack all external signs of life, vegetable or otherwise. Sited downtown, hidden away behind nondescript facades, their beauties lie entirely within: deep armchairs, coffered ceilings, chicken potpies, match strikers, unopened sets of Scott's Waverly novels, fires in July, puddings, whist tournaments, nude swimming, and martinis. We mean, in short, *real* clubs—city clubs.

Antidiscrimination suits have bulldozed in the doors of all but the most recalcitrant, making membership available to all—theoretically. The New York Athletic Club began admitting women only last July, making it the last domino to fall in a chain of formerly all-male New York City clubs, including the University and the Union League, and the Century Association. The scene of male-female conflict has switched now to San Francisco, where City Hall is torturing the male-only Olympic Club with hot irons. Some of the club's facilities sit on city land. Supervisors are threatening to yank the lease.

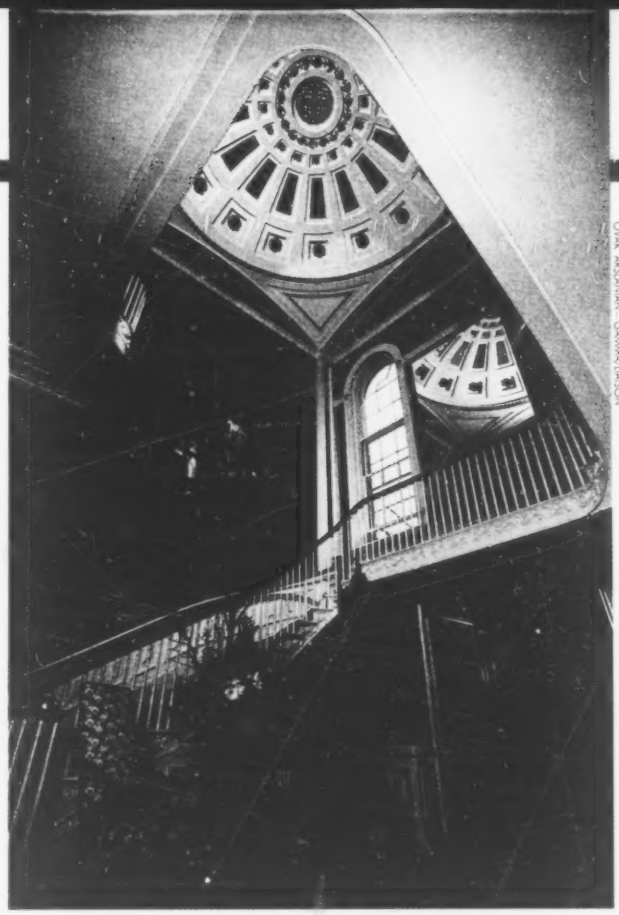
THESE FIGHTS are winding down, though. Across the country, WASP males have pretty much capitulated, and a backlog of eligible women, blacks, Jews, and other minorities stands on clubdom's doorstep. Yet enfranchisement has come so recently that few have crossed the threshold. The majority wait outside, peering uncertainly into the gloom. What will they discover when they enter? Are clubs, as popularly believed, high temples of dealmaking? Or are they merely holding tanks for the indigestible cream of society:

REPORTER ASSOCIATE *Andrew Erdman*

its swells, dimwits, and trust funders?

Let us part the tattered drapes of clubdom, you and I, and go exploring. If, along the way, you see something that you like, by all means get yourself on that club's waiting list *now*. Why the hurry? Undergraduate fraternities and sororities came roaring back to life ten years ago, and legions of young joiners are entering their prime club-seeking years (35 to 45). Beat the rush.

Clubdom has a pecking order, even a cosmology, as suggested by this comment from psychiatrist and social commentator Willard Gaylin: "Any jerk can get into the Princeton Club." That's not strictly true. What Dr. Gaylin means is that the vast majority of clubs—including most university and special-interest clubs (those for card players, actors, engineers, chemists, explorers, etc.)—are more accessible than you might think.



OVAK ARSLANIAN—GAMMA/LIAISON

Coffering to spare: the rococo innards of Boston's Somerset Club

Somewhere below (sometimes well below) clubdom's apex is the business club, such as the Kansas City Club or the Rainier Club, where commerce is encouraged and openly conducted. At or around the pinnacle: the purely social club, such as Chicago's Tavern Club or New Orleans's Boston Club, where openly doing business is a gaffe, if not a violation of the rules. It turns out that business clubs hold scant appeal for ambitious business people.

To the contrary, for men and women of accomplishment, it is social clubs that present an alluring—and dangerous—challenge. Lost in all the talk about discrimination is the fact that social clubs can be as selective as they want—whimsical, even—when it comes to picking

WHERE THE ELITE RETREAT

CLUB Founded	INITIATION FEE & DUES	NO. OF MEMBERS	MEMBERSHIP PROFILE
BOSTON			
Somerset Club 1852	**$2,000** + $2,000/yr.	**575**	Appeals to downwardly mobile sons of Brahmins. CEOs beware: Merely being a member of the corporate elite won't automatically get you through the door.
Union Club of Boston 1863	**N.A.**	**500**	Less Brahmin than the Somerset. Still, it boasts a glossy social patina and manages to tower above the too accessible Algonquin Club of Boston.
Women's City Club of Boston 1911	$575/yr.	**320**	Has admitted men as members since 1985 (now has 30). Mix of Old Guard and younger professionals. Housed in a landmark building with a capacious outdoor terrace.
CHICAGO			
Chicago Athletic Assn. 1890	**$1,200** + $150/mo.	**1,800**	Pin-striped, younger, and markedly more pedestrian than the Chicago Club. The Archbishop of Chicago, Cardinal Bernardin, is a member.
Chicago Club 1869	**N.A.**	**1,300**	The club for the Chicago CEO. Used to be somewhat restrictive, but has since buckled and let in women, including University of Chicago President Hanna H. Gray.
Tavern Club 1925	**N.A.**	**1,200**	Though members include lots of bankers and lawyers, the Tavern prides itself on a liberal smattering of writers and artists. Most [illegible]t on the walls is by members past and present. Business talk is taboo, as it would ruin the creative, cerebral atmosphere.
DENVER			
Denver Club 1880	**$1,000** + $300/mo.	**530**	The Denver's registry reads pretty much like a who's who of Colorado. The club-sponsored Annual Ball kicks off the local social season. Presidential son Neil Bush belongs.
DETROIT			
Detroit Athletic Club 1915	**$2,000** + $169/mo.	**3,600**	Home to the country's largest private bowling league, casually dubbed "white-collar bowling." Noteworthy squash facilities and competitions too.
DULUTH, MINNESOTA			
Kitchi Gammi Club 1883	**$750** + $900/yr.	**540**	Attracts all the local corporate brass and then some. Betty Ford, passing through Duluth, took home a jar of Kitchi Gammi horseradish to hubby, she fancied the stuff so. Club expelled Andrew Carnegie for nonpayment of dues.
HOUSTON			
Houston Club 1849	**$1,800** + $100/mo.	**2,000**	Appeals to the Houston business community. The average age of members has fallen to 54 from 60 a decade ago. Cowboy paintings on walls.
KANSAS CITY			
Kansas City Club 1882	**$500** + $120/mo.	**1,952**	A brand-new $30,000 satellite dish will splash Royals games onto a 70-inch color TV screen in the KCC's very own sports bar. Not only is business allowed on the premises, it is also encouraged. Fax machines abound.

ROBERT HOLMGREN

Allred at the ramparts of the all-male Bohemian

members. They can send an applicant packing for reasons unrelated to race, sex, or religion. An applicant may smell bad. He may wear funny shoes. Members may just not like the cut of his jib.

This means that at this exalted level of clubdom, accomplishment—elsewhere the passkey of American life—counts for zip. Or at least it doesn't carry sufficient weight by itself to guarantee getting in.

Think how exciting this must be to a jaded university president or industrialist! Called before the admissions committee of a top-tier club, he or she stands figuratively naked, stripped of epaulets and other trappings of authority. Nobody gives a damn that the candidate cured cancer or made $1 billion. Overnight, he is flung back into childhood, where only playground rules apply: The other kids either like you or they don't. And if they don't, you're out: blackballed.

The granddaddy of such clubs, called simply The Club, was founded in London in the early 1760s by a group that included Samuel Johnson. James Boswell also joined. Edward Gibbon tried to get in but was blackballed. Why? Johnson scholar Walter Jackson Bate says it was because Gibbon "had a fat face" and was too "sarcastic" in conversation. Gibbon eventually had himself reproposed and somehow managed to be elected, along with Adam Smith. Clearly, anybody with a quill pen could now get in. Boswell wrote, "Smith, too, is now a member of our Club. It has lost its select merit."

The iron whim of social clubs still holds sway at Boston's Somerset, where member Parkman Shaw recalls an embarrassing incident: The chairman of a Boston financial institution believed himself, by virtue of his office, a Somerset shoo-in. Oops. Says Shaw: "On a number of occasions we've had to put these people down. The brazen quality of candidates is just amazing."

WHILE BUSINESS is not done at the Somerset, fraternization among members necessarily takes place, and this may have consequences in the outside world. The uproariously funny story you told last night about four Catholics and a goat may incline your banker and fellow clubman to give you 15 more minutes than he would a total stranger to explain why you need a $100 million bridge loan. But that's it. No contracts are signed, and display of business papers of any kind is forbidden. The overthrow of

CLUB Founded	INITIATION FEE & DUES	NO. OF MEMBERS	MEMBERSHIP PROFILE
LOUISVILLE, KENTUCKY			
Pendennis Club 1881	**$3,000** + $75/mo.	**1,400**	Most CEOs and power players in Louisville are members. Special events include the President's Ball, Country Store Night, and a flurry of fetes during Kentucky Derby week. Never famous for welcoming minorities as members, now finds its street renamed Muhammad Ali Boulevard.
MIAMI, FLORIDA			
City Club of Miami 1984	**$550** + $60/mo.	**600**	If Don Johnson were a CEO, this is where he'd belong. Modern, hip, pastel, enlightened. In a region where clubs still regularly discriminate against blacks and Jews, the membership looks, according to one source, "as if it was put together by a sociologist."
NEW ORLEANS			
Boston Club ca. 1850	**$1,000** + $2,001/yr.	**500**	Named after an ancient and obscure card game played here and nowhere else. Members cannot bring guests from New Orleans. Joining is extremely tough for nonlegatees.
NEW YORK CITY			
Downtown Assn. 1860	**$1,200/yr.**	**1,050**	Caters to white-shoe corporate types. Despite a preponderance of lawyers and investment bankers, the club management does not count the silverware after every meal.
Knickerbocker Club 1871	**$500–$2,000** + $1,400/yr.	**800**	Likes to keep a low profile. Club President John Pierrepont is particularly fearful that the place will get robbed (again) and thus would not tell FORTUNE what curios and artifacts lay hidden in the Knick's catacombs. All male.
OKLAHOMA CITY			
Beacon Club 1942	**$250** + $45/mo.	**800**	Bargain-basement prices. All seafood is flown in fresh from Louisiana, and members can feast on such exotic delicacies as rattlesnake, zebra, elephant, and alligator tail once a year on Wild Game Night.
PASADENA, CALIFORNIA			
Women's City Club of Pasadena 1945	**N.A.**	**400**	Businesswomen, nurses, doctors, judges, and a fair number of retirees consort at the WCCP. Among special events, fashion shows and piano recitals are particular favorites. Club President Matilda Smith, an expert historian and instructor of "The Star-Spangled Banner," points out that husbands are always welcome.
PHILADELPHIA			
Locust Club 1920	**$500–$4,000** + $540–$1,860/yr.	**1,100**	Hefty dues keep the Locust's ranks pretty much limited to wealthy business types who must also be civically and philanthropically minded. Cuisine is German thanks to a core of kitchen staffers who for many years were all descendants of the Locust's first, German, *maître d'hôtel.*
Union League of Philadelphia 1862	**N.A.**	**3,300**	Founded during the Civil War to "preserve the republic and the free-enterprise system." Marshaled support for Lincoln and several times had Abe and staff as guests. More recently, issued a support letter to President Kennedy during the Cuban missile crisis. Has the largest Civil War book collection outside the Library of Congress.

governments is not planned. When the international banking conspiracy meets, it meets elsewhere.

Outsiders find this difficult to swallow, but at many top clubs it appears to be true. People join them to *get away* from business. Says Shaw: "Outsiders think clubs are a hotbed of people moving ahead with their lives. But the Somerset appeals to profoundly downwardly mobile people—people less powerful than their fathers."

BUT DON'T MEMBERS of clubs enjoy great access to other, even higher-powered, members? Yes and no. Through the mechanism of clubs, the paper-box manufacturer's son is supposed to be able to rub elbows with a Rockefeller. (David Sr., for example, belongs to the Harvard, Century, Knickerbocker, Links, and University clubs in New York City.) But today the box boy could just as easily chat up a Rockefeller at the Cardio-Fitness Center in Manhattan, where David sometimes can be seen in his shorts. Almost anyone can join Cardio-Fitness.

The difference is not access, but the quality of access. When a CEO meets a new person whom he knows to be a member of his club, he isn't likely to recoil in horror, since in a sense he has already invited that person to be present: He had the chance to blackball the young pup and didn't. No such invitation is presumed at an exercise facility.

On the other hand, once you're in a club, you may not be really "in." Certainly you're in the door. But once there, you may discover there are clubs within clubs. Nowhere is this more true than at the Bohemian Grove. Some 200 little camps, each with its own name, hold sway beneath the redwoods every summer. And each asks its campers to bed down by invitation only.

Mandalay is at or near the social top. Drop in to borrow a cup of marshmallows and you'll probably get them, but Nicholas Brady and Tom Watson Jr. aren't likely to ask you to stay. Near the social bottom is Aviary, a camp for singers, who, as performing members, get a break on dues.

JAMES SCHNEPF

An Indian gargoyle at Duluth's Kitchi Gammi

Los Angeles attorney Gloria Allred discovered clubs-within-clubs-within-clubs when she became the first female member of Los Angeles's Friars Club. Once in, she found herself less than completely welcome at the club's foulmouthed, testosterone-laden celebrity roasts. Despite some members' hostility, she asserted her right to see Arnold Schwarzenegger insulted. Then she tried to exercise her reciprocal membership privileges with the then still-male Friars Club of New York City. The Friars refused her entry. Henny Youngman came out the front door and heckled her.

But Allred is not to be denied. After filing charges of sex discrimination, she gained access to the club. She still remembers her first lunch there: salmon. "It tasted like victory," she says. But that wasn't her last course. Back in L.A., she found herself excluded

CLUB Founded	INITIATION FEE & DUES	NO. OF MEMBERS	MEMBERSHIP PROFILE
PITTSBURGH			
Duquesne Club 1873	**$7,000** + $1,400/yr.	**2,500**	Most major CEOs in town are members. A portrait of a ram in the club is of note because the animal's testicles were painted out in the 1930s before a group of women were to attend a function. Some years later the eunuch ram was given back his "badges of authority," as they're called in an accompanying plaque.
SALT LAKE CITY			
Town Club 1930	**N.A.**	**220**	It's not that, strictly speaking, the Town Club excludes men from membership. "It's just that we've had none apply," explains President Katherine Dumke. Men can be found across town at the Alta Club. Since it will probably be some time before the Town Club sponsors a Lambada Night, speaker forums will have to do.
SAN FRANCISCO			
Bohemian Club 1872	**Up to $8,500** + $45–$130/mo.	**2,300**	Appealed originally to such bohemians as Jack London. Now, Art Linkletter. About as bohemian as the State Department. Will Rogers scotched own chances for membership by saying annual encampment was "a form of weekend *divertissement* for tired businessmen from which it takes them about two weeks to recover."
The Family 1902	**$0–$8,000**	**700**	The Bohemian Club in miniature, with its own version of the Grove, called the Farm. New members are known as "babies."
Pacific-Union Club (Pacific Club 1852, Union Club 1854) 1889	**N.A.**	**960**	Prospects must submit a battery of recommendations, mostly not from business associates. If these pass muster, would-be's go on a two-year waiting list, then must repeat the entire sponsorship process. The good news is that if you make it, you can swim nude in the Pacific-Union pool. Still all male.
SEATTLE			
Rainier Club 1888	**$2,000** + $82.50/mo.	**1,150**	Lots of corporate brass from the likes of Boeing and Paccar. Commerce now permitted on premises as management accedes to the demands of an increasingly business-obsessed membership.
TOLEDO			
Toledo Club 1889	**$2,400** + $97/mo.	**1,650**	The club for the successful Toledan. Business is allowed and conducted on the premises. Sports an extensive and valuable glassware collection featuring punch bowls and vases *extraordinaire*. Nude swimming allowed during hours when pool use is not co-ed.
WASHINGTON, D.C.			
Metropolitan Club of the City of Washington 1863	**$5,000**	**1,600**	Founded by Civil War generals who, presumably, needed a really good place to get away from it all. Many Senators, ambassadors, and Hill types belong. Nobel Prize winners may prefer crosstown rival Cosmos Club. The library remains untouched by recent renovations. This suits most members, who savor its smoky, mahogany ambiance.

REPORTED AND WRITTEN BY ANDREW ERDMAN

CLUBS YOU CAN'T PEEK INTO

LOUIS PSIHOYOS—MATRIX

Fairbanks at home, where we can see him

Is Douglas Fairbanks Jr. the most clubable man of the 20th century? And if so, why is he shown here in his living room, not in one of his 15 clubs? If membership in the world's finest clubs was, by itself, the test of clubability, then Doug could claim preeminence. At last count he was a dues-paying or honorary member of the Racquet (Chicago); the Brook, Century, and Knickerbocker (New York City); the Myopia Hunt (near Boston); the Metropolitan (Washington); the Newport Reading Room (Rhode Island); and White's, Buck's, the Beefsteak, Garrick, Naval & Military, R.A.C., American, and Travellers' (London).

Clubability, however, presumes much more: the ability to tell spellbinding yarns, to wear suits well, to walk the fine line between being a character and an eccentric, and, above all else, to possess genuine good humor and bulletproof equanimity. A flower in the buttonhole doesn't hurt. Nor (in Doug's case) does having been awarded the Silver Star, the Croix de Guerre, the Order of the British Empire, and Joan Crawford's hand in marriage. What CEO wouldn't want to join a club just to inhale air with such a man?

Seeing as how Fairbanks probably ought to get a commission every time somone joins a club, it seems odd none of his New York City clubs would give permission for him to be photographed inside its building—or, for that matter, outside it. After considering the prospect of Doug's being photographed outside the Brook, club president Dick Frick said—in a voice like the aroma of port made audible—"I'm terribly sorry, but there simply isn't any way I can give Douglas permission to stand in front of the Brook."

Why is that?

Clubs, being the delightful, florid, and somewhat embarrassing self-indulgences of their members, do not like to call one more pixel of attention to themselves than is absolutely necessary. Some get along nicely without street addresses. Social historian Stephen Birmingham observes that American clubmen seldom advertise their memberships. "It's like prep school," he says. "Everyone's a little embarrassed to say he went to one. John Lindsay always used to refer to St. Paul's as 'my high school.'"

The English embrace clubs openly, and numerous guidebooks to English clubs exist. Try to find a guide to U.S. clubs. In a nation that sees itself as straightforwardly meritocratic, clubs suggest the nettlesome possibility that class exists.

from the Friars' gym. She again filed legal charges, and the club capitulated—superficially. Allred told the locker room denizens to gird up their loins: She was coming. They ignored her. Exasperated, she announced that not only was she coming in, but she would be bringing a tape measure. That did it. The men cleared out. "I was interested in naked justice," she insists, "not naked men." (California advisory: Allred is drawing a bead on the Bohemian Club.)

If clubs aren't the path to business nirvana, nor the door to instant intimacy with the celebrated, then why are people so eager to join them? Dr. Gaylin, whose practice runs mainly to club-conscious CEOs and top executives, views membership as an antidote to loneliness, whether the club is the Duquesne of Pittsburgh, home to CEOs Anthony O'Reilly of H.J. Heinz, Charles Corry of USX, Paul O'Neill of Alcoa, and many others, or the Bergin Hunt & Fish of Babylon, New York, home to alleged Gambino crime family boss John Gotti. Even the Greek diner at the corner, says Gaylin, is a club: The regulars draw satisfaction—and part of their sense of identity—from the fact the counterman already knows their wishes by heart.

REAL CLUBS, however, go Greek diners one giant step better and sell what Ralph Lauren only claims to. Implicit in Lauren's advertising is the promise that if you buy a regimental sock you will soon become acquainted with a distinguished older gentleman who wears a pencil-thin mustache and served with Monty in North Africa—someone, say, who looks a lot like Douglas Fairbanks Jr. (see box).

This, of course, is bunk. Yet where Lauren fails, clubs deliver. Join one, and you get an entire style of life, shrink-wrapped. For a couple of thousand dollars a year—less than what you'd spend to join some fitness centers—you get all the pleasures of life at San Simeon. In winter, a fire blazes. In summer, the bar serves lemonade. There likely is a pool, gymnasium, library, dining room, lounge, masseur, barbershop, and a group of bedrooms—not to mention a humidor. Has a button popped off your shirt? A kindly old retainer sews it on.

A club's greatest attribute is its power to soothe. Have you been honked at by cars? Spat upon, shoved, or generally mistreated? Then step inside, out of the city: Here is peace and quiet. A perpetual twilight of orange and yellow lamps. The air fairly echoes with accommodating phrases: "Of course, sir. Yes, sir. No problem. Will you have your usual?" Deference is spoken here.

How sound is clubdom's future? Very. If it depended solely on the appeal of high-ceilinged rooms, dimly lit libraries, and strongly mixed drinks, then the industry might be in for uncertain times. Tastes change. But clubdom stands on stronger legs. Tanning one's self in the warm glow of one's peers' approval is not likely to become onerous any time soon. Not only are clubs a tonic to the ego; they are a haircut and a shave as well. As one sociologist has said: "These people could meet in a barn and be just as happy." F

FORTUNE

THE SERVICE 500

CONTENTS

It Sure Paid to Be Diversified	298
The FORTUNE 500 Largest Service Corporations	304
Definitions and Explanations	332
Industry Medians	332
Arrivals, Departures, and Money Losers	333
Alphabetical Index to the Service 500	334

Construction by Nicholas Fasciano, Photographed by Roberto Brosan

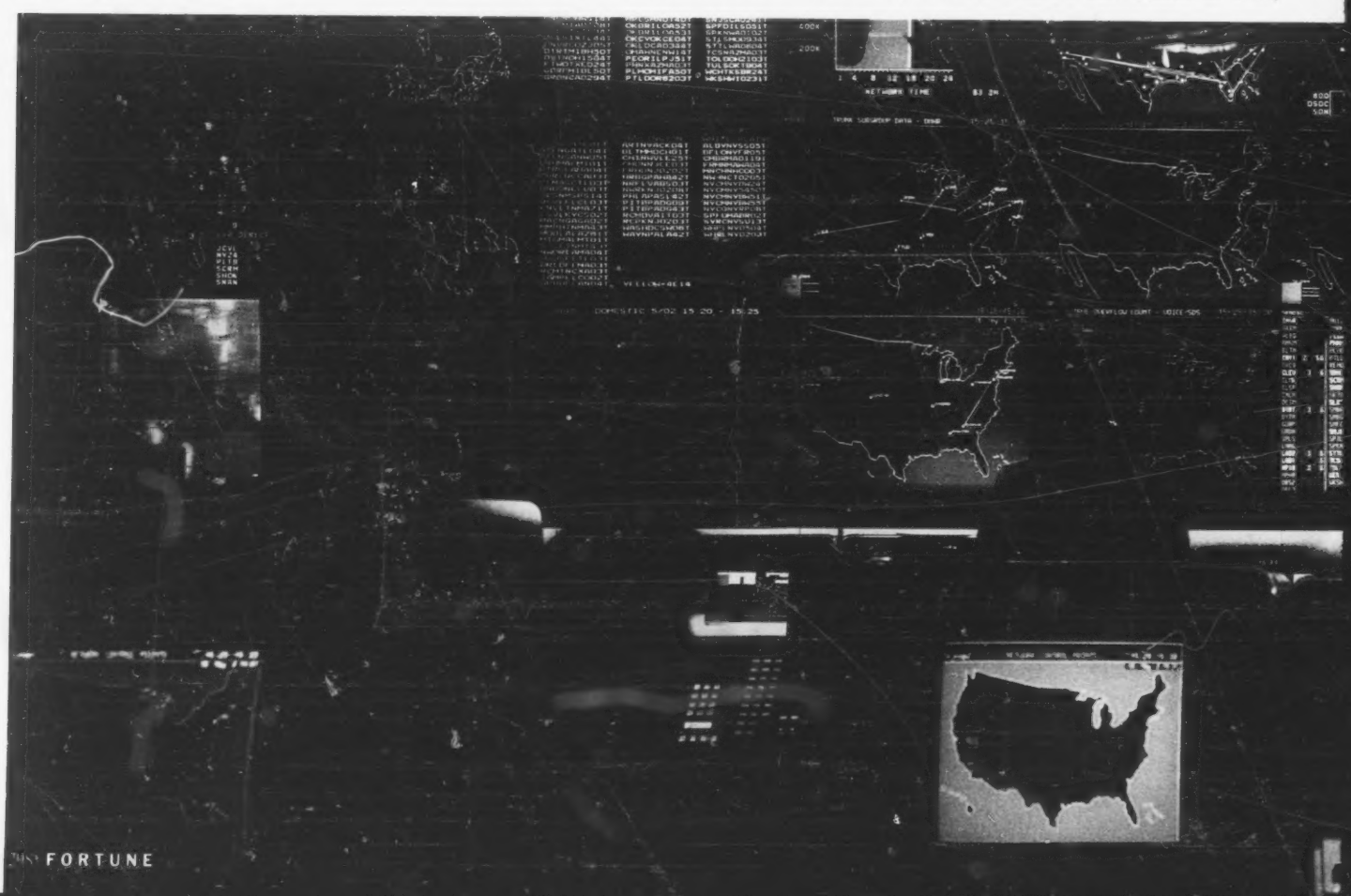
IT SURE PAID TO BE DIVERSIFIED

Despite the upheavals on Wall Street, the continuing saga of S&L failures, and widespread worry over economic slowdown, the FORTUNE Service 500 delivered its second-highest profits ever. As a group, the nation's largest service companies earned $69.7 billion in 1989, a $10 billion decline from 1988's record. (This calculation includes net income of life insurers, though they do not account for profits on a comparable basis with other companies.)

The drop might have been worse had the diversified service companies and the diversified financial companies not done the heavy lifting. Profits for the diversified service group, whose ranks range from glamorous movie studios to down-and-dirty waste processors, more than doubled to $14 billion in 1989. And that was no fluke, since profits did nicely—up 21%—the previous year as well. For one newcomer to the list, Ted Turner's Turner Broadcasting System (No. 93), an improved bottom line meant stemming losses, from $94.5 million in 1988 to $70.6 million last year. And nobody is laughing at Captain Outrageous anymore: TBS rewarded investors with a total return—stock appreciation plus dividends—of 202% last year, the highest of any company on the Service 500 list.

AT&T, the largest of the diversified service companies, had the brawniest profits too. Ma Bell earned $2.7 billion in 1989,

PHOTOGRAPH BY JOHN MADERE



THE SERVICE 500 PROFITS

	1989 $ BILLIONS	1988 $ BILLIONS	CHANGE PERCENT
100 DIVERSIFIED SERVICE COMPANIES	$14.112	$6.344	122.44%
100 COMMERCIAL BANKING COMPANIES	$6.995	$17.501	(60.03%)
50 DIVERSIFIED FINANCIAL COMPANIES	$14.107	$12.587	12.07%
50 SAVINGS INSTITUTIONS	($3.112)	$1.198	(359.77%)†
50 LIFE INSURANCE COMPANIES*	$6.097	$5.668	7.56%
50 RETAILING COMPANIES	$4.971	$9.116	(45.47%)
50 TRANSPORTATION COMPANIES	$4.671	$5.476	(14.70%)
50 UTILITIES	$21.907	$21.592	1.46%

†A decline of over 100% reflects a swing from 1988 profits to 1989 loses. *Net income based on statutory accounting.

her best showing since the kids left home five years before. The money came from lucrative corporate and government contracts; candy store owners, airport authorities, and others choosing AT&T over MCI or Sprint for pay phone service; and continued cuts in employment. Paramount Communications is the group's No. 2 earner, with profits up a startling 281% from 1988. True, the movie business has been good—but not that good—and Paramount's memorable performance was due to the sale of Associates First Capital Corp., its finance subsidiary.

While bad real estate loans and too many junk bonds left banks and thrifts pretty winded, diversified financial companies are striding along. Profits are up 12% for the group. A standout: Continental Group (No. 22), a casualty and property insurer, achieved an eye-popping 17,143% jump in earnings, the biggest increase among all the Service 500 companies. Assisting that pole vault was a $193 million capital gain in its investment portfolio.

The industry's 900-pound gorilla, American Express, recorded a 9.2% revenue increase in 1989 and an 11.5% boost in profits. But a feisty chimp, Primerica (No. 20), the New York consumer finance company run by Sanford I. Weill, American Express's former president, beat that by a mile. Primerica registered the highest sales increase of the group, 467%, and a 79% improvement in profits. The combination of acquiring all of A.L. Williams, its golden goose insurer, and a strong showing by its Smith Barney brokerage unit, lifted Primerica's earnings to $289 million. The stock did all right too, providing investors with a total return of 32.6%.

Both utilities and life insurance companies showed modest improvement in 1989. Premi-

AT&T's Worldwide Intelligent Network reroutes telephone calls during peak periods of congestion.

THE BIGGEST GAINERS, 1989

THE TEN LARGEST INCREASES IN SALES

	SALES RANK	
PRIMERICA CORP.	F-20	467.4%
PARAMOUNT COMM.	S-13	94.4
JWP	S-55	88.3
ENRON	S-4	72.9
BRANIFF	T-44	62.9
INT'L SHIPHOLDING	T-49	58.9
DCNY	F-37	58.0
SYSCO	S-9	56.3
COSTCO WHOLESALE	R-34	47.8
COLUMBIA PICTURES ENT.	S-63	47.4

THE TEN LARGEST INCREASES IN PROFITS*

CONTINENTAL	F-22	17,143.1%
PACIFIC GAS & ELECTRIC	U-6	1,349.7
ARA GROUP	S-23	620.1
BURLINGTON RESOURCES	S-51	535.6
COMDISCO	S-61	535.3
BLOUNT	S-76	498.1
TWENTIETH CENTURY FOX FILM	S-98	459.8
STATESMAN GROUP	F-43	411.6
FIRST FIDELITY BANCORP.	B-20	370.4
TRAVELERS CORP.	F-7	341.7

*Excludes companies that lost money in 1988.

THE BIGGEST LOSERS, 1989

THE TEN LARGEST DECREASES IN SALES

	SALES RANK	
STATESMAN GROUP	F-43	56.7%
LOMAS FINANCIAL	F-35	49.3
SANTA FE PACIFIC	T-17	38.2
AMERICAN GENERAL	F-15	35.7
TRAVELERS CORP.	F-7	34.0
BORG-WARNER	S-44	29.6
PINNACLE WEST	U-34	26.5
LEUCADIA NATIONAL	F-48	21.1
TEXAS AIR	T-6	21.0
AETNA LIFE & CASUALTY	F-4	19.0

THE FIVE LARGEST DECREASES IN PROFITS*

PINNACLE WEST	U-34	13,257.1%
AMERIFIRST BANK	I-40	9,377.8
TRUSTCORP	B-95	8,401.1
UNITED ARTISTS ENTERTAIN.	S-88	4,621.6
ALLIED STORES	R-40	1,900.1

*Decreases over 100% reflect swings from 1988 profits to 1989 losses.

THE FIVE LARGEST LOSSES

		$ MIL.
FEDERATED DEPT. STORES	R-23	$1,503.9
SOUTHMARK	I-34	1,460.3
SOUTHLAND	R-13	1,306.9
J.P. MORGAN & CO.	B-4	1,275.0
BANK OF NEW ENGLAND CORP.	B-21	1,113.3

Sales comparisons exclude commercial banks, savings institutions, and life insurance companies.
Profit comparisons exclude life insurance companies.

um and annuity income for life companies grew 8.7% to $144.7 billion and net income increased 7.6% to $6.1 billion. Utilities managed a low-voltage 0.7% increase in revenues to $233.7 billion, and profits were up 1.5% to $21.9 billion. The hero was Pacific Gas & Electric (No. 6), which supplies the juice for northern and central California. By holding operating expenses steady while serving an expanding customer base, PG&E produced an electrifying 1,350% increase in earnings, the second-highest gain among the Service 500. Net income rose to $900.6 million and PG&E attributed part of its glowing performance to "significant" revenues generated by Diablo Canyon, the nuclear power plant that resulted in a huge write-off in 1988 for cost overruns.

Throughout much of the year, retailers were hobbled both by cautious consumer spending and their own suicidal price wars. Though sales for the top 50 rose 9.2%, earnings plunged a pretty bloody 45.5%. Wal-Mart (No. 3) turned in its customary

KEY TO RANK

	PAGE
B — COMMERCIAL BANKING COMPANIES	310
F — DIVERSIFIED FINANCIAL COMPANIES	316
I — SAVINGS INSTITUTIONS	318
L — LIFE INSURANCE COMPANIES	322
R — RETAILING COMPANIES	324
S — DIVERSIFIED SERVICE COMPANIES	304
T — TRANSPORTATION COMPANIES	328
U — UTILITIES	330

THE MOST PROFITABLE, 1989

THE TEN HIGHEST RETURNS ON STOCKHOLDERS' EQUITY

	RANK	
SERVICEMASTER	S-64	174.1%
PARAMOUNT COMM.	S-13	39.4
MARSH & MCLENNAN COS.	F-49	33.8
ALEXANDER & BALDWIN	T-30	33.5
BLOUNT	S-76	33.2
NIKE	S-59	29.7
VIACOM	S-71	28.7
ALCO STANDARD	S-25	28.7
MARRIOTT	S-5	28.2
RYLAND GROUP	S-72	28.0
THE SERVICE 500 MEDIAN		12.3

THE TEN HIGHEST RETURNS ON ASSETS

	RANK	
PARAMOUNT COMM.	S-13	20.7%
NIKE	S-59	20.2
KELLY SERVICES	S-73	18.0
ALEXANDER & BALDWIN	T-30	17.8
GENUINE PARTS	S-33	15.4
REEBOK INTERNATIONAL	S-54	15.0
MARSH & MCLENNAN COS.	F-49	14.5
LIMITED (THE)	R-26	14.3
MELVILLE	R-14	13.1
WAL-MART STORES	R-3	13.1
THE SERVICE 500 MEDIAN		1.1

THE TEN HIGHEST RETURNS ON SALES

	RANK	
PARAMOUNT COMM.	S-13	24.7%
ALEXANDER & BALDWIN	T-30	24.0
GENERAL RE	F-30	21.6
TEXAS UTILITIES	U-12	18.0
PHILADELPHIA ELECTRIC	U-17	17.3
OHIO EDISON	U-30	16.8
DUKE POWER	U-26	15.6
OVERSEAS SHIPHOLDING GRP.	T-47	15.6
CAROLINA POWER & LIGHT	U-32	15.2
DISNEY (WALT)	S-19	15.1
THE SERVICE 500 MEDIAN		4.1

Commercial banks, savings institutions, and life insurance companies are not included.

profit gains—earnings were up 28% to $1 billion last year, just behind Sears Roebuck's lackluster $1.5 billion on nearly twice Wal-Mart's revenues. (Sears earned that profit from Allstate Insurance and Dean Witter, not from retailing.) U.S. Shoe (No. 44), which sells footwear under such names as Pappagallo and Capezio, enjoyed a 279.4% earnings increase, the highest in retailing. The money came mainly from its Casual Corner and Petite Sophisticate women's apparel chains.

THE WORST PERFORMERS in the service businesses—this won't come as any surprise—were the savings institutions. Overall, the 50 largest lost $3.1 billion, 36 had declines in their assets, and four were taken over by the Resolution Trust Corp. Among the survivors: Bad real estate loans took their toll on Southmark (No. 34), which lost $1.5 billion—the worst in the group—and is now in bankruptcy. Huge holdings in junk bond issues led Columbia Savings & Loan (No. 18) to post the group's second-biggest loss, $591 million.

Commercial bank profits, battered by growing write-offs for bad loans, fell 60% from 1988's record $17.5 billion. The biggest money loser was No. 4, the normally profitable J.P. Morgan & Co., which suffered a loss of $1.3 billion owing to loan write-offs in Brazil and Argentina. By contrast, BankAmerica (No. 3), once the sick man among commercial lenders, had its best year ever, earning $1.1 billion, the second-strongest performance of the group. BankAmerica made its money the old-fashioned way: with higher-yielding loans, lower expenses and credit losses, and getting more customers through acquisitions in the U.S. and a joint venture in South Korea.

A bumpy ride among the major airlines caused profits for the entire transportation group to dive 14.7%. But America West (No. 26), the entrepreneurial Phoenix carrier, waggled its wings at the rest of the industry with a 29% increase in revenues and a 113% takeoff in earnings. Its secret: increased operating efficiency, top marks for on-time performance, and opening new routes to Honolulu, New York, and Washington, D.C.– **Laurie Kretchmar and John Labate**

THE BEST INVESTMENTS

THE TEN HIGHEST TOTAL RETURNS TO INVESTORS, 1989

	RANK	
TURNER BROADCASTING	S-93	202.2%
HOLIDAY	S-65	165.7
COSTCO WHOLESALE	R-34	122.0
CHARLES SCHWAB	F-38	107.0
NIKE	S-59	104.1
FEDERAL NAT'L MORTGAGE ASS'N	F-2	103.2
KEMPER	F-25	99.9
MCI COMMUNICATIONS	S-11	94.5
VIACOM	S-71	84.7
NAT'L MEDICAL ENTERPRISES	S-28	84.1

THE TEN HIGHEST TOTAL RETURNS TO INVESTORS, 1979-89 ANNUAL AVERAGE

	RANK	
THE LIMITED	R-26	53.1%
WAL-MART STORES	R-3	46.1
DILLARD DEPARTMENT STORES	R-33	45.7
STATE STREET BOSTON CORP.	B-61	42.4
MCI COMMUNICATIONS	S-11	39.9
GIANT FOOD	R-35	38.8
BRUNO'S	R-48	37.3
HOLIDAY	S-65	36.6
WASTE MANAGEMENT	S-20	36.1
TOYS "R" US	R-24	35.9

THE FIVE LOWEST

SOUTHMARK	I-34	(93.2)
ATLANTIC FINANCIAL FEDERAL	I-22	(92.2)
LOMAS FINANCIAL	F-35	(91.7)
CENTRUST BANK	I-19	(90.2)
IMPERIAL CORP. OF AMERICA	I-15	(89.7)
THE SERVICE 500 MEDIAN		23.0

THE FIVE LOWEST

IMPERIAL CORP. OF AMERICA	I-15	(24.2)
FINAN. CORP. OF ST. BARBARA	I-35	(23.6)
TRANSCON	T-48	(12.7)
CONTINENTAL BANK CORP.	B-22	(12.5)
LOMAS FINANCIAL	F-35	(10.6)
THE SERVICE 500 MEDIAN		19.8

Life insurance companies are not included in these rankings.

THE MOST PRODUCTIVE, 1989

THE TEN HIGHEST IN SALES PER EMPLOYEE

	RANK	
FED. NAT'L MORTGAGE ASS'N	F-2	$4,598,800
BINDLEY WESTERN	S-67	3,857,414
UNION EQUITY CO-OP. EXCH.	S-87	2,568,594
LEUCADIA NATIONAL	F-48	2,029,560
FED. HOME LOAN MORTGAGE	F-13	1,978,410
PERMIAN PARTNERS	S-41	1,912,108
OGLETHORPE POWER	U-44	1,885,252
STUDENT LOAN MKTG. ASS'N	F-12	1,574,151
ENRON	S-4	1,567,600
SUBARU OF AMERICA	S-58	1,499,556

THE TEN HIGHEST IN SALES PER DOLLAR OF STOCKHOLDERS' EQUITY

	RANK	
ARA GROUP	S-23	$222.90
ALCO HEALTH SERVICES	S-43	147.70
TURNER CORP.	S-30	69.57
MAYFLOWER GROUP	T-34	68.50
HAL	T-46	52.85
BALFOUR MACLAINE	S-77	50.27
STOP & SHOP COS.	R-27	49.90
LANDMARK LAND	F-44	49.18
BRANIFF	T-44	45.37
SERVICEMASTER	S-64	41.40

THE FIVE LOWEST

OGDEN	S-74	$32,591
TW SERVICES	R-31	32,269
BORG-WARNER	S-44	30,066
HILTON HOTELS	S-97	25,592
BEVERLY ENTERPRISES	S-48	22,145
THE SERVICE 500 MEDIAN		194,873

THE FIVE LOWEST

TWENTIETH CENTURY FOX FILM	S-98	$0.73
GULF STATES UTILITIES	U-35	0.72
TEXAS UTILITIES	U-12	0.68
BURLINGTON RESOURCES	S-51	0.60
OVERSEAS SHIPHOLDING GROUP	T-47	0.48
THE SERVICE 500 MEDIAN		2.92

Commercial banks, savings institutions, and life insurance companies are not included.

THE SERVICE 500

THE 100 LARGEST DIVERSIFIED SERVICE COMPANIES

RANK BY SALES 1989	1988	(Major Industry)	SALES[1] $ Millions	% change from 1988	PROFITS $ Millions	Rank	% change from 1988	ASSETS $ Millions	Rank	STOCKHOLDERS EQUITY $ Millions	Rank
1	1	**AMERICAN TELEPHONE & TELEGRAPH** New York (Telecomm.)	36,345.0	3.2	2,697.0	1	—	37,687.0	1	12,738.0	1
2	2	**FLEMING COS.** Oklahoma City (Wholesale)	12,045.3	15.1	80.1	41	22.5	2,689.3	36	741.6	33
3	3	**SUPER VALU STORES** Eden Prairie, Minn.[2] (Wholesale)	10,316.1	10.1	135.4	26	21.1	2,305.1	39	778.3	29
4	•	**ENRON** Houston[3] (Wholesale)	9,869.6	72.9	226.3	15	107.7	9,104.8	4	1,785.9	14
5	•	**MARRIOTT** Bethesda, Md.[4] (Hotels)	8,382.0¶	13.7	177.0	20	(23.7)	6,732.0	8	628.0	43
6	6	**UNITED TELECOMMUNICATIONS** Westwood, Kans. (Telecomm.)	7,549.0	16.3	362.9	10	(28.7)	9,821.3	3	2,076.9	11
7	4	**MCKESSON** San Francisco[5] (Wholesale)	7,515.2	3.0	100.6	36	5.9	2,105.8	46	692.2	39
8	5	**AMERICAN FINANCIAL** Cincinnati (Casualty insurance)	7,285.7	5.6	3.3	74	(96.8)	11,969.1	2	333.0	61
9	13	**SYSCO** Houston[5] (Wholesale)	6,851.3	56.3	107.9	35	24.1	1,869.4	49	642.6	41
10	•	**PACIFIC ENTERPRISES** Los Angeles[7] (Natural gas)	6,797.0	14.6	211.0	16	(5.0)	7,326.0	5	2,169.0	9
11	6	**MCI COMMUNICATIONS** Washington (Telecomm.)	6,504.0	26.6	558.0	6	61.3	6,338.0	12	1,995.0	12
12	8	**FLUOR** Irvine, Calif.[8] (Eng. & constr.)	6,314.0	23.0	108.5	33	92.4	2,154.3	44	720.4	36
13	28	**PARAMOUNT COMM.** New York[8,9] (Movies)	5,941.4¶	94.4	1,465.4	2	280.9	7,065.2	6	3,717.5	2
14	10	**HALLIBURTON** Dallas (Eng. & constr.)	5,708.5	18.0	135.0	27	44.2	4,263.0	19	2,119.1	10
15	12	**ELECTRONIC DATA SYSTEMS** Dallas[10] (Computing)	5,466.8	15.2	435.3	9	13.3	3,918.2	26	1,763.6	15
16	9	**RYDER SYSTEM** Miami (Truck rental)	5,073.4	0.9	46.0‡	56	(76.7)	5,937.5	14	1,486.6	16
17	11	**CAPITAL CITIES/ABC** New York (Broadcasting)	5,059.6	6.0	485.7	7	25.5	6,359.5	11	3,291.9	3
18	15	**WETTERAU** Hazelwood, Mo.[5] (Wholesale)	5,003.0	20.4	43.3	57	12.2	952.1	68	230.0	68
19	21	**WALT DISNEY** Burbank, Calif.[11] (Theme parks)	4,661.7	35.6	703.3	3	34.7	6,657.2	9	3,044.0	5
20	19	**WASTE MANAGEMENT** Oak Brook, Ill. (Waste)	4,477.7	25.6	562.1	5	21.1	6,405.2	10	2,738.0	6
21	14	**DUN & BRADSTREET** New York (Info. services)	4,389.1	2.9	586.4	4	17.5	5,184.2	16	2,184.7	8
22	16	**HOSPITAL CORP. OF AMERICA** Nashville (Hospitals)	4,308.7	4.8	82.6	40	(68.1)	6,879.7	7	564.3	47
23	17	**ARA GROUP** Philadelphia[11] (Food service)	4,243.8	8.3	38.7	60	620.1	1,884.4	48	19.0	94
24	22	**HUMANA** Louisville, Ky.[12] (Hospitals)	4,148.6	20.8	256.0	14	12.7	3,696.6	29	1,327.0	18
25	18	**ALCO STANDARD** Valley Forge, Pa.[11] (Wholesale)	4,145.9	8.8	170.8	22	55.3	1,478.7	55	594.4	45
26	20	**BERGEN BRUNSWIG** Orange, Calif.[12] (Wholesale)	3,929.2	12.7	47.6	53	37.1	985.7	67	390.9	55
27	•	**COMBUSTION ENGINEERING** Stamford, Conn.[14,15] (Eng.)	3,734.2[13]	7.2	N.A.		—	N.A.		N.A.	
28	25	**NAT'L MEDICAL ENTERPRISES** Santa Monica, Calif.[16] (Hosp.)	3,703.0	25.6	143.0	25	(3.1)	3,877.0	27	1,101.0	20
29	23	**GREYHOUND DIAL** Phoenix[17] (Air trav. serv.)	3,621.9	7.4	108.7	31	4.5	5,204.8	15	1,075.0	21
30	26	**TURNER** New York (Construction)	3,564.1	11.5	2.8	76	(24.6)	860.7	69	51.2	89
31	29	**MCA** Universal City, Calif. (Movies)	3,502.1	15.8	191.8	18	16.3	4,211.3	22	1,860.9	13
32	24	**NATIONAL INTERGROUP** Pittsburgh[5] (Wholesale)	3,185.5	(5.1)	(15.7)**	83	—	1,826.0	50	684.7	40
33	30	**GENUINE PARTS** Atlanta (Wholesale)	3,171.4	7.8	199.5	17	10.0	1,291.9	58	971.8	23
34	32	**ASSOCIATED MILK PROD.** San Antonio (Wholesale)	3,035.1	7.4	N.A.[18]		—	550.2	79	151.2	78
35	31	**ENSERCH** Dallas (Natural gas)	2,984.7	3.1	73.4	42	—	3,254.2	32	876.3	26
36	33	**CBS** New York (Broadcasting)	2,961.5	6.6	296.3	12	(74.2)	4,637.9	17	2,394.0	7
37	35	**HARVEST STATES CO-OPS.** St. Paul[16] (Wholesale)	2,921.3	20.4	N.A.[18]		—	435.8	81	173.7	74
38	27	**AMERICAN MEDICAL INT'L** Beverly Hills[12] (Hosp.)	2,776.8	(10.8)	(12.8)	82	(111.1)	3,214.5	33	713.2	37
39	34	**CASTLE & COOKE** Los Angeles (Wholesale)	2,717.8	10.1	94.9	37	(15.5)	2,269.6	40	836.1	28
40	39	**BROWNING-FERRIS INDUSTRIES** Houston[11] (Waste)	2,557.4	23.7	262.6	13	15.7	3,017.2	35	1,241.9	19
41	36	**PERMIAN PARTNERS** Houston (Wholesale)	2,485.7	8.6	(8.0)	80	—	586.9	78	204.3	70
42	41	**ROUNDY'S** Pewaukee, Wis. (Wholesale)	2,331.1	14.5	N.A.[18]		—	371.2	88	59.4	88
43	40	**ALCO HEALTH SERVICES** Valley Forge, Pa.[11] (Wholesale)	2,297.4	11.6	(11.9)	81	(159.1)	768.4	71	15.6	95
44	•	**BORG-WARNER** Chicago[19] (Protective ser.)	2,264.0	(29.6)	88.9	39	(78.8)	2,252.4	41	631.9	42
45	43	**HERTZ** Park Ridge, N.J. (Car rental)	2,253.2	14.6	108.5	32	34.9	3,669.0	30	693.8	38
46	38	**NASH FINCH** St. Louis Park, Minn. (Wholesale)	2,223.8	6.3	13.2	73	(27.6)	380.8	87	157.0	77
47	37	**MORRISON KNUDSEN** Boise, Idaho (Eng. & constr.)	2,169.6	1.2	32.2	63	—	726.0	73	250.5	65
48	42	**BEVERLY ENTERPRISES** Pasadena, Calif. (Nursing homes)	2,126.0	5.0	(104.2)	88	—	1,639.2	53	440.1	53
49	50	**ITEL** Chicago (Wholesale)	2,121.1	29.1	29.9	65	20.6	4,126.5	23	749.2	31
50	44	**BALLY MANUFACTURING** Chicago (Casinos)	2,069.2	10.8	17.4‡	71	(54.2)	3,029.5	34	596.6	44

N.A. Not available.
• Not on last year's list.
† Average for the year; see the reference to "employee" on page 332.
** Reflects an extraordinary credit of at least 10%; see the explanations of "profits" and "earnings per share" on page 332.
‡ Reflects an extraordinary charge of at least 10%; see the explanations of "profits" and earnings per share" on page 332.
¶ Includes sales from discontinued operations of at least 10%.
[1] Sales include all operating revenues, other income, and revenues from discontinued operations when they are published. Sales also include consolidated subsidiaries, but they do not include excise taxes. All figures are for the fiscal year ended December 31, 1989, unless otherwise noted. All companies on

MARKET VALUE 4/20/90		NET PROFITS AS PERCENT OF						EARNINGS PER SHARE				TOTAL RETURN TO INVESTORS				EMPLOYEES		
		SALES		ASSETS		STOCKHOLDERS' EQUITY			% change from	1979-89 annual growth rate			1979-89 annual average					
$ Millions	Rank	%	Rank	%	Rank	%	Rank	1989/$	1988	%	Rank	1989 %	Rank	%	Rank	Number	Rank	
43,981.5	1	7.4	18	7.2	21	21.2	17	2.50	–	(11.0)	56	63.4	14	18.9	30	283,500	1	1
961.1	44	0.7	72	3.0	51	10.8	57	2.54	4.5	6.9	31	(11.4)	69	17.0	35	22,800	28	2
1,858.4	31	1.3	65	5.9	28	17.4	31	1.81	20.7	13.4	22	20.8	44	19.7	28	39,711	22	3
2,642.7	22	2.3	51	2.5	60	12.7§	51	4.03	161.7	(0.1)	43	65.7	12	13.7	49	6,296	60	4
2,659.9	21	2.1	55	2.6	56	28.2	8	1.58	(19.0)	15.0	17	6.2	56	26.0	12	229,942	2	5
7,993.3	7	4.8	29	3.7	43	17.3§	32	1.72	(30.5)	2.7	37	66.2	11	23.1	17	41,359	20	6
1,299.7	36	1.3	63	4.8	35	14.5	44	2.28	2.2	1.2	40	19.5	46	16.8	37	14,800	43	7
N.A.		0.0	77	0.0	76	(2.2)§	77	N.A.	–	–		–		–		53,000	12	8
2,767.3	19	1.6	59	5.8	29	16.8	33	1.19	22.7	17.8	11	65.5	13	34.0	5	18,715	37	9
3,017.7	18	3.1	41	2.9	53	9.7	62	3.05	(13.1)	(2.2)	47	45.7	25	18.5	32	43,891	15	10
8,599.7	5	8.6	16	8.8	15	28.0	10	2.09	69.9	43.2	1	94.5	4	39.9	1	19,198	35	11
3,331.6	16	1.7	57	5.0	31	15.1	38	1.35	90.1	(3.9)	49	58.0	16	5.6	61	20,059	30	12
5,466.8	10	24.7	2	20.7	1	39.4§	3	12.21	280.4	20.8	6	26.0	37	24.7	14	11,800	49	13
4,611.0	11	2.4	48	3.2	49	6.4	68	1.27	42.7	(8.9)	55	57.2	17	4.1	63	65,500	9	14
N.A.		8.0	17	11.1	13	24.7	13	N.A.	–	–		–		–		57,000	10	15
1,508.3	34	0.9	69	0.8	70	3.1	72	0.50‡	(79.2)	(7.6)	51	(19.7)	74	13.9	47	42,210	18	16
9,847.5	4	9.6	13	7.6	18	14.8	42	27.25	22.1	19.3	9	55.8	19	28.0	9	19,860	32	17
594.7	53	0.9	70	4.5	38	18.8	27	1.82	15.2	7.8	30	29.6	34	22.5	19	14,319	45	18
15,161.9	3	15.1	5	10.6	14	23.1	14	5.10	34.2	19.2	10	71.1	9	27.6	11	47,000	13	19
16,302.4	2	12.6	7	8.8	16	20.5	20	1.22	38.6	25.2	2	71.0	10	36.1	3	42,640	17	20
8,448.1	6	13.4	6	11.3	10	26.8	11	3.14	17.6	14.7	19	(10.9)	68	19.1	29	71,500	7	21
N.A.		1.9	56	1.2	68	14.6	43	N.A.	–	–		–		–		68,000	8	22
N.A.		0.9	68	2.1	63	203.1	1	N.A.	–	–		–		–		125,000	3	23
3,918.1	14	6.2	22	6.9	23	19.3	25	2.56	11.3	20.1	7	78.6	7	24.0	15	55,100	11	24
1,231.6	37	4.1	34	11.5	8	28.7§	7	3.94	69.1	12.1	23	26.9	36	20.1	27	17,700	39	25
823.6	45	1.2	68	4.8	33	12.2	53	1.85	22.4	17.4	12	34.7	32	25.1	13	3,738	72	26
N.A.		–		–		–		N.A.	–	–		47.5	21	7.5	59	25,000	27	27
2,665.6	20	3.9	37	3.7	44	13.0	49	1.93	(3.0)	15.3	16	84.1	6	20.6	25	77,000	5	28
1,219.2	38	3.0	42	2.1	62	10.0§	61	2.75	1.9	(0.2)	44	11.2	52	14.4	46	36,600	24	29
68.2	73	0.1	76	0.3	74	5.4	69	0.54	(34.1)	(8.1)	54	(13.0)	70	13.3	50	3,300	75	30
4,073.5	13	5.5	23	4.6	37	10.3	59	2.62	15.9	0.3	42	38.9	28	15.5	39	17,000	40	31
337.3	59	(0.5)	82	(0.9)	79	(3.1)§	78	(0.98)**	–	–		(17.3)	72	(3.2)	66	5,875	62	32
3,049.3	17	6.3	12	15.4	5	20.5	21	2.58	9.8	10.0	27	22.0	41	18.8	31	16,274	41	33
N.A.		–		–		–		N.A.	–	–		–		–		4,191	69	34
1,572.4	33	2.5	47	2.3	61	8.4	65	0.99	–	(7.9)	53	46.0	24	9.4	57	10,417	52	35
4,127.1	12	10.0	11	6.4	27	11.9§	54	11.51	(74.3)	4.8	34	12.8	50	17.9	34	6,700	58	36
N.A.		–		–		–		N.A.	–	–		–		–		1,970	87	37
344.6	58	(0.5)	81	(0.4)	77	(1.8)	76	(0.18)	(112.8)	–		(53.5)	78	(0.8)	65	43,700	16	38
2,081.2	28	3.5	40	4.2	40	11.4	56	1.60	(22.0)	3.8	36	23.0	39	13.8	48	45,000	14	39
5,510.7	9	10.3	10	8.7	17	21.1	18	1.74	15.2	20.9	5	44.0	26	34.4	4	25,500	26	40
N.A.		(0.3)	79	(1.4)	81	(3.9)	80	(1.03)	–	–		N.A.		–		1,300	92	41
N.A.		–		–		–		N.A.	–	–		–		–		5,730	63	42
N.A.		(0.5)	83	(1.6)	82	(76.6)	85	N.A.	–	–		–		–		2,381	84	43
N.A.		3.9	36	3.9	42	14.1	47	N.A.	–	–		–		–		75,300	6	44
N.A.		4.8	28	3.0	52	15.6	36	N.A.	–	–		–		–		18,000	38	45
216.1	67	0.6	73	3.5	48	8.4	64	1.21	(27.5)	2.4	38	3.5	58	–		11,769	50	46
568.7	56	1.5	61	4.4	39	12.8	50	2.81	–	(0.7)	46	22.6	40	14.6	45	12,560	47	47
236.5	63	(4.9)	86	(6.4)	87	(23.7)	84	(1.96)	–	–		(4.0)	64	4.4	62	96,000	4	48
977.7	43	1.4	62	0.7	71	3.2§	71	0.47	6.8	–		19.7	45	15.1	42	8,200	55	49
309.3	60	0.8	71	0.6	73	2.9	73	0.35‡	(68.8)	(14.8)	57	(30.7)	77	(7.3)	67	27,000	25	50

the list must have derived 50% or more of their revenues from nonmanufacturing and nonmining businesses. Excluded but eligible for the lists that follow are companies deriving more than 50% of revenues solely from banking, life insurance, finance, savings, retail, transportation, or utilities.

† Figures are for fiscal year ended February 28, 1989.
‡ Company was No. 27 on 1988 Utilities list.
§ Company was No. 14 on 1988 Retailing list.
‖ Figures are for fiscal year ended March 31, 1989.
Figures are for fiscal year ended June 30, 1989.
** Company was No. 36 on 1988 Utilities list.
†† Figures are for fiscal year ended October 31, 1989.
‡‡ Name changed from Gulf + Western.
§§ Wholly owned by General Motors (No. 1 on FORTUNE 500 Industrial list).

THE SERVICE 500

THE 100 LARGEST DIVERSIFIED SERVICE COMPANIES

RANK BY SALES 1989	1988		(Major industry)	SALES[1] $ Millions	% change from 1988	PROFITS $ Millions	Rank	% change from 1988	ASSETS $ Millions	Rank	STOCKHOLDER EQUITY $ Millions	Rank
51	•	**BURLINGTON RESOURCES** Seattle[20]	(Natural gas)	1,921.9	(11.3)	458.1	8	535.6	6,098.1	13	3,222.6	4
52	45	**AVNET** Great Neck, N.Y.[6]	(Wholesale)	1,918.7	5.6	54.0	49	3.4	1,126.0	62	735.4	34
53	58	**CENTEX** Dallas[5]	(Homebuilder)	1,845.5	26.4	40.0	58	(46.0)	1,096.2	64	384.2	57
54	46	**REEBOK INTERNATIONAL** Stoughton, Mass.	(Wholesale)	1,835.0	2.7	175.0	21	27.7	1,166.4	61	844.3	27
55	•	**JWP** Purchase, N.Y.	(Technical serv.)	1,741.7	88.3	38.8	59	39.6	1,102.8	63	247.7	66
56	51	**PHH** Hunt Valley, Md.[11]	(Vehicle mgt.)	1,735.0	7.2	51.6	52	18.0	4,230.9	20	349.0	60
57	56	**W.W. GRAINGER** Skokie, Ill.	(Wholesale)	1,731.8	12.8	119.6	29	9.9	1,065.2	65	731.7	35
58	48	**SUBARU OF AMERICA** Cherry Hill, N.J.[6]	(Wholesale)	1,729.0	3.3	(42.4)	85	—	728.1	72	187.6	72
59	73	**NIKE** Beaverton, Oreg.[7]	(Wholesale)	1,718.5	42.8	167.0	23	64.3	825.4	70	561.8	48
60	54	**SUPER FOOD SERVICES** Dayton[11]	(Wholesale)	1,691.6	7.5	15.9	72	9.6	248.1	93	106.2	82
61	62	**COMDISCO** Rosemont, Ill.[11]	(Computer leases)	1,678.0	26.5	108.0	34	535.3	4,045.0	25	548.0	49
62	55	**AUTOMATIC DATA PROC.** Roseland, N.J.[6]	(Computing)	1,677.7	8.3	187.6	19	10.1	1,679.3	52	949.5	24
63	82	**COLUMBIA PICTURES ENTERTAINMENT** New York[2,21]	(Movies)	1,631.9	47.4	21.7**	68	—	3,564.9	31	1,060.7	22
64	57	**SERVICEMASTER** Downers Grove, Ill.	(Mgt. services)	1,618.2	5.7	68.0	45	5.3	593.7	77	39.1	92
65	52	**HOLIDAY** Memphis	(Casinos)	1,600.0[13]	0.2	90.0[13]	38	2.8	N.A.		N.A.	
66	64	**CHARTER MEDICAL** Macon, Ga.	(Hospitals)	1,566.3	21.8	(36.7)	84	—	1,344.8	57	(729.3)	97
67	65	**BINDLEY WESTERN** Indianapolis	(Wholesale)	1,566.1	22.8	2.6‡	77	(26.5)	272.3	92	48.5	90
68	60	**ACE HARDWARE** Oak Brook, Ill.	(Wholesale)	1,546.6	11.9	N.A.[18]		—	496.8	80	139.5	80
69	70	**WHEELABRATOR TECHNOLOGIES** Hampton, N.H.[11]	(Waste)	1,519.1	25.0	58.5	47	139.6	2,249.7	42	577.5	46
70	61	**CBI INDUSTRIES** Oak Brook, Ill.	(Construction)	1,495.5	8.7	34.3	61	24.6	1,358.7	56	384.1	58
71	68	**VIACOM** New York	(Pay TV)	1,436.2	14.1	131.1	28	—	3,753.0	28	455.9	51
72	66	**RYLAND GROUP** Columbia, Md.	(Homebuilder)	1,402.1	10.2	58.0	48	42.6	4,211.8	21	206.9	69
73	67	**KELLY SERVICES** Troy, Mich.	(Temp. help)	1,377.5	8.5	70.8	43	17.4	394.3	85	283.7	64
74	84	**OGDEN** New York	(Maint. serv.)	1,368.8	25.8	67.0	46	15.9	2,598.0	37	441.3	52
75	•	**FARMERS UNION** Inver Grove Hgts., Minn.[14]	(Wholesale)	1,365.2	8.4	N.A.[18]		—	656.2	76	311.5	62
76	59	**BLOUNT** Montgomery, Ala.	(Construction)	1,352.2[4]	9.9	47.4	54	498.1	664.5	75	142.6	79
77	87	**BALFOUR MACLAINE** New York	(Wholesale)	1,312.1	25.9	(4.5)	79	—	369.5	89	26.1	93
78	79	**COMMERCIAL METALS** Dallas	(Wholesale)	1,308.8	15.9	28.5	66	16.4	419.2	83	190.9	71
79	76	**COMPUTER SCIENCES** El Segundo, Calif.	(Software)	1,308.7	13.6	52.5	51	20.6	714.6	74	388.6	56
80	81	**UNIVAR** Seattle	(Wholesale)	1,307.9	17.1	20.0	70	78.9	431.4	82	114.7	81
81	71	**ECOLAB** St. Paul	(Wholesale)	1,305.6	7.7	3.1‡	75	(92.9)	1,042.9	66	405.6	54
82	78	**RYKOFF-SEXTON** Los Angeles[11]	(Wholesale)	1,295.9	13.4	20.6	69	26.0	398.0	84	178.6	73
83	63	**NVR L.P.** McLean, Va.	(Homebuilder)	1,294.4	(2.0)	30.2	64	(10.0)	2,378.6	38	167.8	76
84	86	**FOSTER WHEELER** Clinton, N.J.	(Eng. & constr.)	1,292.7	22.7	33.6	62	17.9	1,181.1	59	467.1	50
85	75	**INTERPUBLIC GROUP OF COS.** New York	(Advertising)	1,256.9	9.0	70.6	44	17.4	1,740.7	51	367.6	60
86	•	**RICHFOOD HOLDINGS** Richmond[11]	(Wholesale)	1,246.1	24.0	(1.4)	78	—	237.8	94	42.3	91
87	59	**UNION EQUITY CO-OP. EXCHANGE** Enid, Okla.	(Wholesale)	1,245.8	(14.6)	N.A.[18]		—	220.3	95	74.2	86
88	•	**UNITED ARTISTS ENTERTAIN.** Denver	(Movie theaters)	1,199.0	42.4	(103.5)	87	(4,621.6)	4,077.3	24	755.9	30
89	83	**INDIANA FARM BUREAU CO-OP.** Indianapolis[11]	(Wholesale)	1,153.7	4.6	N.A.[18]		—	191.0	97	95.5	84
90	74	**PHM** Bloomfield Hills, Mich.	(Homebuilder)	1,129.9	(4.2)	53.8	50	69.1	4,325.4	18	305.6	63
91	77	**DI GIORGIO** San Francisco	(Wholesale)	1,100.0[13]	(4.0)	N.A.		—	N.A.		N.A.	
92	85	**SERVISTAR** Butler, Pa.[6]	(Wholesale)	1,082.6	1.0	N.A.[18]		—	300.0	90	79.5	85
93	•	**TURNER BROADCASTING** Atlanta	(Broadcasting)	1,065.1	—	(70.6)‡	86	—	2,114.8	45	(431.6)	96
94	•	**COMPUTER ASSOCIATES** Garden City, N.Y.[3]	(Software)	1,030.2	45.3	163.5	24	60.6	1,167.2	60	747.7	32
95	92	**HARDWARE WHOLESALERS** Fort Wayne[6]	(Wholesale)	1,025.1	8.8	N.A.[18]		—	272.5	91	104.7	83
96	•	**OMNICOM GROUP** New York	(Advertising)	1,019.3	25.6	46.8	55	—	1,547.6	54	238.1	67
97	91	**HILTON HOTELS** Beverly Hills	(Hotels)	998.1	4.7	110.1	30	(15.9)	2,216.0	43	883.0	25
98	•	**TWENTIETH CENTURY FOX FILM** Los Angeles[2,21]	(Movies)	997.7	24.7	311.2	11	459.8	1,943.2	47	1,359.3	17
99	100	**UNITED STATIONERS** Des Plaines, Ill.	(Wholesale)	970.2	13.3	24.7	67	6.8	381.8	86	170.9	75
100	•	**COUNTRYMARK** Delaware, Ohio[11]	(Wholesale)	962.1	19.7	N.A.[18]		—	204.6	96	65.2	87
		TOTALS		329,087.7		14,111.6			287,415.8		83,728.7	

Figures are for fiscal year ended September 30, 1989
Figures are for fiscal year ended August 31, 1989
FORTUNE estimate
Company was No. 131 on 1988 FORTUNE 500 Industrials
Acquired by Asea Brown Boveri (No. 29 on 1988 International 500 list), January 30, 1990
Figures are for fiscal year ended May 31, 1989
Name changed from Greyhound
Cooperatives provide only net margin figures, which are not comparable with the profit figures on this list
Company was No. 142 on 1988 FORTUNE 500 Industrials
Company was No. 194 on 1988 FORTUNE 500 Industrials

MARKET VALUE 4/20/90		NET PROFITS AS PERCENT OF						EARNINGS PER SHARE				TOTAL RETURN TO INVESTORS				EMPLOYEES		
		SALES		ASSETS		STOCKHOLDERS' EQUITY			% change from	1979-89 annual growth rate			1979-89 annual average					
$ Millions	Rank	%	Rank	%	Rank	%	Rank	1989/$	1988	%	Rank	1989 %	Rank	%	Rank	Number	Rank	
6,039.6	8	23.8	3	7.5	19	14.2	46	3.06	565.2	–		50.0	20	–		5,208	65	51
1,057.6	41	2.8	44	4.8	34	7.3	66	1.51	3.4	(0.5)	45	42.5	27	12.3	54	8,500	54	52
584.2	55	2.2	54	3.7	45	10.4	58	2.64	(43.0)	4.7	35	6.7	55	6.2	60	4,700	67	53
1,921.3	30	9.5	14	15.0	6	20.7	19	1.53	27.5	–		58.5	15	–		3,034	78	54
720.7	48	2.2	52	3.5	46	15.7	35	1.90	28.4	–		71.4	8	31.7	6	16,000†	42	55
564.1	57	3.0	43	1.2	67	14.8	41	3.05	17.3	11.6	25	(1.2)	62	15.4	40	4,374	68	56
2,009.1	29	6.9	19	11.2	11	16.3	34	4.39	12.0	9.9	29	21.7	42	15.6	38	7,646	57	57
303.5	61	(2.5)	85	(5.8)	86	(22.6)	83	(0.87)	–	–		(6.5)	67	14.8	44	1,153	93	58
2,523.4	25	9.7	12	20.2	2	29.7	5	4.45	64.8	–		104.1	3	–		4,070	70	59
183.9	70	0.9	67	6.4	26	15.0§	39	2.21	9.4	16.7	14	15.1	48	28.5	8	2,100	85	60
745.0	47	6.4	20	2.7	55	19.7	23	2.57	526.8	21.9	3	19.0	47	27.9	10	1,875	88	61
3,776.1	15	11.2	8	11.2	12	19.8	22	2.53	15.0	16.4	15	28.2	35	20.5	26	21,000	29	62
N.A.		1.3	64	0.6	72	2.1	74	0.14**	–	–		N.A.		–		N.A.		63
642.7	51	4.2	32	11.5	9	174.1	2	2.10	4.0	19.7	8	2.6	59	16.9	36	18,835	36	64
N.A.		5.6	23	–		–		N.A.	–	–		165.7	2	36.6	2	40,000	21	65
N.A.		(2.3)	84	(2.7)	84	–		(6.06)	–	–		N.A.		–		19,600	33	66
61.6	74	0.2	75	1.0	69	5.4	70	0.41‡	(29.3)	–		47.4	22	–		406	99	67
N.A.		–		–		–		N.A.	–	–		–		–		2,875	79	68
1,482.6	35	3.8	38	2.6	57	10.1	60	1.50	44.2	–		25.4	38	–		9,300	53	69
672.3	49	2.3	50	2.5	59	8.9	63	1.41	62.1	(7.9)	52	30.1	33	1.8	64	12,000	48	70
2,608.3	23	9.1	15	3.5	47	28.7	6	2.13	–	11.0	26	84.7	5	20.7	24	4,900	66	71
239.4	62	4.1	33	1.4	64	28.0	9	4.30	38.7	21.4	4	(5.8)	65	23.1	18	2,700†	81	72
1,089.6	40	5.1	26	18.0	3	25.0	12	2.36	17.5	17.1	13	34.8	31	30.5	7	3,900	71	73
1,045.9	42	4.9	27	2.6	58	15.2	37	1.68	16.7	(2.6)	48	13.0	49	18.4	33	42,000†	19	74
N.A.		–		–		–		N.A.	–	–		–		–		3,171†	77	75
157.7	71	3.5	39	7.1	22	33.2§	4	3.94	497.0	14.7	18	(15.6)	71	11.0	56	6,400	59	76
47.5	76	(0.3)	80	(1.2)	80	(17.3)	82	(0.77)	–	–		(17.9)	73	15.2	41	978	94	77
231.7	66	2.2	53	6.8	24	14.9	40	2.46	16.7	5.3	32	5.8	57	15.0	43	3,386	74	78
669.2	50	4.0	35	7.3	20	13.5	48	3.28	20.1	11.9	24	21.6	43	12.0	55	19,550	34	79
236.2	64	1.5	60	4.6	36	17.4	30	2.27	78.7	5.0	33	10.7	53	22.0	21	2,702	80	80
632.6	52	0.2	74	0.3	75	0.7§	75	0.10‡	(93.9)	(21.4)	58	10.2	54	12.9	52	13,100	46	81
186.4	69	1.6	58	5.2	30	11.5	55	1.75	14.5	13.5	20	(5.9)	66	21.2	23	5,400	64	82
112.3	72	2.3	49	1.3	65	18.0	28	1.02	(18.4)	–		(3.1)	63	–		2,669	82	83
800.0	46	2.6	45	2.8	54	7.2	67	0.95	17.3	(4.0)	50	46.4	23	7.7	58	8,195	56	84
1,096.4	39	5.6	24	4.1	41	19.2	26	2.10	15.8	9.9	28	35.9	30	23.3	16	14,700	44	85
50.9	75	(0.1)	78	(0.6)	78	(3.3)	79	(0.14)	–	–		0.6	61	–		2,000	86	86
N.A.		–		–		–		N.A.	–	–		–		–		485	98	87
1,813.9	32	(8.6)	88	(2.5)	83	(15.2)§	81	(0.99)	–	–		N.A.		–		20,000	31	88
N.A.		–		–		–		N.A.	–	–		–		–		891	96	89
233.9	65	4.8	30	1.2	66	17.6	29	2.02	66.9	13.5	21	0.9	60	22.1	20	1,800	89	90
N.A.		–		–		–		N.A.	–	–		12.3	51	12.6	53	2,500	83	91
N.A.		–		–		–		N.A.	–	–		–		–		1,316	91	92
2,224.8	27	(6.6)	87	(3.3)	85	–		(2.39)‡	–	–		202.2	1	–		3,466	73	93
2,559.1	24	15.9	4	14.0	7	21.9	16	0.98	56.8	–		(21.6)	75	–		6,276	61	94
N.A.		–		–		–		N.A.	–	–		–		–		909	95	95
594.7	54	4.6	31	3.0	50	19.7	24	1.81	14.6	0.6	41	37.2	29	13.1	51	11,400	51	96
2,353.6	26	11.0	9	5.0	32	12.5	52	2.27	(16.5)	1.9	39	56.8	18	21.6	22	39,000	23	97
N.A.		31.2	1	16.0	4	22.9	15	N.A.	–	–		–		–		1,636	90	98
209.1	68	2.5	46	6.5	25	14.5	45	1.60	6.7	–		(28.4)	76	–		3,300	76	99
N.A.		–		–		–		N.A.	–	–		–		–		850	97	100
216,865.4																2,423,661		

* Figures are for fiscal year ended April 30, 1989.
** Acquired by Sony (No. 59 on 1988 International 500 list), November 6, 1989.
†† Name changed to Wheelabrator Technologies after it merged into Wheelabrator Group (No. 70 on 1988 Diversified Service list), August 24, 1989.
‡‡ Company was No. 287 on 1988 FORTUNE 500 Industrials.
§§ Wholly owned by News Corp. (No. 183 on 1988 International 500 list).

THE 100 LARGEST COMMERCIAL BANKING COMPANIES

RANK BY ASSETS 1989	1988		ASSETS[1] $ Millions	% change from 1988	DEPOSITS $ Millions	Rank	LOANS[2] $ Millions	Rank	PROFITS $ Millions	Rank	% change from 1988
1	1	**CITICORP** New York	230,643.0	11.1	137,922.0	1	155,383.0	1	498.0	4	(73.2)
2	2	**CHASE MANHATTAN CORP.** New York	107,369.0	10.2	69,073.0	3	73,402.0	2	(665.0)	95	(162.8)
3	3	**BANKAMERICA CORP.** San Francisco	98,764.0	4.3	81,186.0	2	72,488.0	3	1,103.0**	1	51.9
4	4	**J.P. MORGAN & CO.** New York	88,964.0	6.0	39,158.0	9	26,030.0	13	(1,275.0)	98	(227.3)
5	5	**SECURITY PACIFIC CORP.** Los Angeles	83,943.0	7.8	52,630.0	4	60,566.0	4	740.6	2	15.9
6	6	**CHEMICAL BANKING CORP.** New York	71,513.0	6.2	50,151.0	5	41,876.0	5	(482.2)	93	(164.0)
7	18	**NCNB CORP.** Charlotte, N.C.[3]	66,190.8	121.8	48,576.3	6	33,943.7	10	447.1	5	77.1
8	7	**MANUFACTURERS HANOVER CORP.** New York	60,479.0	(9.3)	41,994.0	8	39,145.0	7	(518.0)‡	94	(154.4)
9	8	**FIRST INTERSTATE BANCORP** Los Angeles	59,051.4	1.5	46,467.7	7	36,767.9	8	(124.5)	88	(196.2)
10	9	**BANKERS TRUST NEW YORK CORP.** New York	55,658.4	(3.9)	26,220.1	15	18,421.4	24	(979.9)	96	(251.3)
11	10	**BANK OF NEW YORK CO.** New York	48,856.5	3.1	34,927.1	11	34,629.4	9	50.7	68	(76.2)
12	11	**WELLS FARGO & CO.** San Francisco	48,736.6	4.5	36,430.3	10	40,988.3	6	601.1	3	17.3
13	12	**FIRST CHICAGO CORP.** Chicago	47,907.0	7.8	32,935.0	12	28,447.0	11	358.7	9	(30.1)
14	13	**PNC FINANCIAL CORP.** Pittsburgh	45,660.7	11.9	30,120.2	13	27,490.9	12	377.4	6	(14.7)
15	14	**BANK OF BOSTON CORP.** Boston	39,177.9	8.6	28,697.4	14	24,215.0	14	70.4	52	(78.1)
16	21	**FLEET/NORSTAR FINANCIAL GROUP** Providence	33,440.8	15.1	21,676.6	20	21,291.9	19	371.3	7	10.6
17	22	**FIRST UNION CORP.** Charlotte, N.C.	32,130.6	10.9	21,498.3	21	21,578.6	18	256.2	16	(13.7)
18	16	**MELLON BANK CORP.** Pittsburgh	31,467.0	1.0	21,344.0	22	18,788.0	22	210.0**	20	—
19	20	**SUNTRUST BANKS** Atlanta	31,043.6	6.4	24,961.5	18	20,764.5	20	337.3	10	9.3
20	19	**FIRST FIDELITY BANCORP** Newark, N.J.	30,727.8	3.2	22,872.5	19	19,631.8	21	159.5	24	370.4
21	15	**BANK OF NEW ENGLAND CORP.** Boston	29,772.7	(7.5)	25,529.6	16	22,288.2	15	(1,113.3)	97	(495.3)
22	17	**CONTINENTAL BANK CORP.** Chicago	29,549.0	(3.4)	17,176.0	33	15,314.0	30	147.3	26	(53.4)
23	25	**BARNETT BANKS** Jacksonville, Fla.	29,006.7	12.7	25,055.9	17	22,176.2	16	256.7	15	13.3
24	23	**SHAWMUT CORP.** Boston	27,885.2	(1.9)	18,765.5	25	18,462.5	23	(128.9)	89	(153.2)
25	24	**MARINE MIDLAND BANKS** Buffalo[4]	27,066.5	4.2	18,325.6	28	21,720.0	17	13.9**	83	(91.3)
26	27	**BANC ONE CORP.** Columbus, Ohio	26,552.2	5.1	20,952.2	23	17,658.3	26	362.9	8	6.7
27	30	**NBD BANCORP** Detroit	25,771.3	6.6	19,806.1	24	15,117.2	31	258.8	14	13.9
28	28	**REPUBLIC NEW YORK CORP.** New York	25,467.0	3.9	16,524.8	34	6,292.9	59	24.0	79	(85.9)
29	31	**SOVRAN FINANCIAL CORP.** Norfolk, Va.	25,442.3	13.2	18,693.5	26	16,524.8	27	269.2	11	10.7
30	33	**NORWEST CORP.** Minneapolis	24,334.7	11.9	15,206.1	36	15,560.1	28	237.0	18	12.2
31	32	**FIRST WACHOVIA CORP.** Winston-Salem, N.C.	24,049.5	10.2	17,386.6	31	15,102.0	32	269.0	12	10.1
32	36	**MIDLANTIC CORP.** Edison, N.J.	23,665.5	20.1	18,685.6	27	18,160.2	25	206.3	21	(7.5)
33	35	**CITIZENS & SOUTHERN CORP.** Atlanta	23,312.8	10.5	18,109.6	29	15,012.9	33	238.0	17	15.4
34	34	**NATIONAL CITY CORP.** Cleveland	22,971.7	6.2	17,264.3	32	14,965.1	34	263.3	13	12.9
35	37	**NATIONAL WESTMINSTER BANCORP** New York[5]	21,773.0	14.5	18,014.7	30	14,554.8	35	(139.5)	91	(207.4)
36	29	**FIRST BANK SYSTEM** Minneapolis	20,820.2	(14.1)	15,753.1	35	15,314.0	29	2.4	85	—
37	39	**MNC FINANCIAL** Baltimore	20,316.3	12.8	12,575.1	38	13,989.5	36	212.6	19	16.6
38	45	**U.S. BANCORP** Portland, Ore.	16,975.4	18.0	11,432.2	42	11,409.5	38	150.8	25	21.7
39	40	**CORESTATES FINANCIAL CORP.** Philadelphia	16,848.6	2.5	11,440.6	41	11,911.9	37	198.7	22	10.7
40	41	**SOUTHEAST BANKING CORP.** Miami	16,525.3	5.8	12,759.8	37	10,743.8	40	80.5	47	6.8
41	44	**KEYCORP** Albany, N.Y.	15,461.4	5.6	12,453.0	39	9,805.2	41	136.9	28	14.2
42	42	**UNION BANK** San Francisco[6]	15,375.6	2.4	11,637.1	40	11,192.1	39	138.9	27	130.7
43	43	**BOATMEN'S BANCSHARES** St. Louis	14,542.4	(.9)	10,851.3	44	8,811.5	42	129.2	29	85.2
44	46	**FIRST CITY BANCORP. OF TEXAS** Houston	14,081.0	15.5	10,818.7	45	8,076.9	46	112.2	35	—
45	58	**FIRST OF AMERICA BANK CORP.** Kalamazoo, Mich.	12,792.7	30.9	11,366.4	43	8,241.0	43	122.9	31	38.3
46	51	**SIGNET BANKING CORP.** Richmond	12,476.1	13.4	7,595.1	60	7,121.3	51	123.3	30	(19.1)
47	49	**HARRIS BANKCORP** Chicago	12,374.4	9.7	8,960.3	52	6,784.4	55	52.3	67	(42.0)
48	52	**UJB FINANCIAL** Princeton, N.J.	12,172.3	11.8	9,336.0	49	8,212.7	44	118.5	32	2.1
49	50	**COMERICA** Detroit	12,149.5	9.0	9,882.7	46	7,748.6	49	77.6	49	(30.7)
50	59	**MERIDIAN BANCORP** Reading, Pa.	11,925.1	25.2	9,601.8	47	7,842.7	48	91.5	43	6.3

N.A. Not available
• Not on last year's list
** Reflects an extraordinary credit of at least 10%; see the explanations of "profits" and "earnings per share" on page 332

† Average for the year; see the reference to "employees" on page 332
‡ Reflects an extraordinary charge of at least 10%; see the explanations of "profits" and "earnings per share" on page 332

§ Dividends paid on mandatory redeemable preferred stock subtracted from profits.
[1] As of December 31, 1989. All companies on the list must have more than 80% of their assets in chartered commercial banking institutions.

STOCKHOLDERS' EQUITY		MARKET VALUE 4/20/90		PROFITS AS PERCENT OF ASSETS		PROFITS AS PERCENT OF STOCKHOLDERS' EQUITY		EARNINGS PER SHARE				TOTAL RETURN TO INVESTORS				EMPLOYEES		
$ Millions	Rank	$ Millions	Rank	%	Rank	%	Rank	1989/$	% change from 1988	1979-89 annual growth rate %	Rank	1989 %	Rank	1979-89 annual average %	Rank	Number	Rank	
10,076.0	1	7,590.9	1	0.2	78	4.9§	77	1.16	(78.4)	(6.1)	68	17.7	49	15.9	68	92,000	1	1
4,944.0	3	3,042.9	9	(0.6)	89	(13.5)	91	(7.94)	(168.7)	–		29.8	24	13.6	74	41,610	3	2
5,534.0	2	5,796.6	3	1.1	13	19.9	4	5.19**	36.9	2.4	64	55.3	7	4.2	86	54,779	2	3
4,495.0	5	6,178.2	2	(1.4)	94	(28.4)	93	(7.04)	(230.9)	–		31.7	19	20.0	46	14,207	25	4
4,637.0	4	4,212.2	4	0.9	51	16.0	19	6.26	12.0	9.7	32	18.3	48	19.3	50	41,099	4	5
3,705.0	6	2,720.1	11	(0.7)	91	(13.0)	90	(8.29)	(169.0)	–		3.9	71	14.7	72	29,139	6	6
2,961.5	8	3,758.0	6	0.7	62	15.1	27	4.62	59.3	13.8	9	74.0	1	26.3	7	27,002	7	7
3,381.0	7	2,237.9	14	(0.9)	92	(15.3)	92	(10.21)‡	(155.9)	–		27.7	28	9.9	81	20,034	8	8
2,339.3	14	2,159.0	16	(0.2)	87	(5.3)	87	(3.30)	(225.5)	–		2.2	72	8.9	82	36,000†	5	9
2,385.7	13	2,884.8	10	(1.8)	96	(41.1)	96	(12.10)	(249.6)	–		23.8	37	21.3	39	13,230	29	10
2,764.3	11	2,138.7	17	0.1	81	1.8	81	0.24	(95.7)	(20.4)	73	13.7	53	20.0	45	14,883	23	11
2,860.9	9	3,511.4	7	1.2	5	21.0	2	11.02	19.8	15.0	4	28.2	26	24.9	12	19,500	10	12
2,692.0	12	2,007.5	21	0.7	57	13.3	52	5.10	(37.8)	6.1	52	31.0	20	15.7	69	18,158	13	13
2,829.6	10	3,140.4	8	0.8	53	13.3	51	3.98	(21.8)	8.1	43	9.7	59	20.7	44	17,681	17	14
2,096.6	17	810.3	41	0.2	80	3.4	79	0.80	(82.8)	(6.2)	69	(15.4)	86	17.9	60	18,800	11	15
2,288.7	15	2,177.7	15	1.1	14	16.2	15	3.34	8.8	13.0	14	7.4	65	25.9	8	18,789	12	16
2,076.1	19	1,875.4	23	0.8	54	12.3	58	2.40	(13.0)	7.8	45	(2.7)	76	20.8	42	17,733	16	17
1,549.0	27	930.4	38	0.7	63	12.9§	54	4.01**	–	(2.0)	67	19.6	45	6.3	85	15,300	21	18
2,088.9	18	2,624.4	13	1.1	15	16.1	17	2.61	9.7	11.0	23	19.0	46	18.3	57	20,023	9	19
1,565.0	26	1,078.8	33	0.5	70	10.2	67	2.51	765.5	20.0	2	(7.5)	81	21.2	41	13,500	27	20
457.7	73	251.6	84	(3.7)	98	(243.2)	98	(16.11)	(496.8)	–		(54.5)	89	11.1	78	16,821	18	21
1,680.0	23	720.5	44	0.5	71	8.8	70	2.06	(60.3)	(20.3)	72	(0.5)	73	(12.5)	88	7,560	43	22
1,690.7	22	1,893.0	22	0.9	50	15.2§	25	4.07	8.5	14.1	8	9.6	60	24.4	14	18,109	14	23
1,397.7	31	978.2	37	(0.5)	88	(9.2)	89	(1.77)	(154.0)	–		(8.9)	83	19.0	53	12,019	32	24
1,178.5	36	N.A.		0.1	84	1.2	83	N.A.	–	–		–		–		13,345	28	25
2,255.2	16	3,996.3	5	1.4	3	16.1	18	2.52	6.2	12.3	17	50.8	9	25.2	11	17,800	15	26
1,673.8	24	2,114.0	18	1.0	29	15.5	23	3.59	12.0	10.0	31	32.9	18	23.6	21	12,367†	30	27
1,372.0	32	1,367.5	28	0.1	82	1.7	82	0.04	(99.2)	(31.9)	74	23.1	39	23.7	20	3,700	81	28
1,612.2	25	1,829.0	24	1.1	16	16.7	9	4.49	9.8	8.2	40	15.8	50	21.6	38	14,686	24	29
1,277.8	34	1,753.1	25	1.0	33	18.5	6	2.52	11.5	6.2	51	45.4	11	16.6	65	16,148	19	30
1,739.9	20	2,672.0	12	1.1	12	15.5	24	3.87	7.0	13.1	13	34.2	17	22.9	28	13,725	26	31
1,517.2	28	581.0	58	0.9	52	13.6	49	5.37	(8.2)	7.5	47	(13.9)	84	18.4	56	12,182	31	32
1,429.4	30	1,419.7	26	1.0	23	16.7	10	3.67	12.9	14.8	5	29.9	23	22.8	29	15,381	20	33
1,507.2	29	2,076.9	19	1.1	9	17.5	7	4.35	13.3	9.1	35	24.8	35	18.8	54	15,160	22	34
1,713.3	21	N.A.		(0.6)	90	(8.1)	88	N.A.	–	–		–		–		8,136	41	35
1,057.0	38	840.2	40	0.0	85	0.2	85	(0.27)	–	–		(15.3)	85	11.9	77	10,667†	33	36
1,288.7	33	1,382.9	27	1.0	18	16.5	12	3.45	9.9	14.7	6	4.6	70	23.8	19	9,300	37	37
1,053.7	39	1,352.1	29	0.9	48	14.3	41	3.05	21.2	7.5	46	69.0	3	17.2	62	9,721	36	38
1,245.9	35	2,031.1	20	1.2	7	15.9	20	5.03	11.8	11.5	21	9.3	62	26.5	6	8,541	38	39
834.5	45	441.8	67	0.5	72	9.6	69	2.42	3.0	2.7	63	(8.9)	82	12.4	76	8,514	39	40
984.0	40	1,056.2	34	0.9	49	13.9	44	3.20	10.3	9.0	36	39.5	14	24.2	15	10,372	34	41
929.0	42	713.8	45	0.9	46	15.0	32	4.10	16.8	3.1	62	(4.3)	79	10.9	79	7,376	44	42
1,085.9	37	1,018.4	36	0.9	47	11.9§	59	3.72	85.1	4.7	58	9.4	61	18.0	59	8,402	40	43
755.0	46	576.1	60	0.8	55	14.9	34	4.66	–	–		47.5	10	–		6,904	47	44
947.9	41	805.8	42	1.0	35	13.0	53	5.88	(4.5)	8.7	39	12.8	55	22.3	32	9,777	35	45
750.7	47	638.0	54	1.0	30	16.4	13	4.55	(20.3)	12.0	18	12.7	56	23.1	26	6,592	50	46
725.3	51	N.A.		0.4	74	7.2	73	7.84	(42.0)	5.4	56	N.A.		–		5,356	63	47
852.8	43	650.1	51	1.0	34	13.9	45	2.62	1.6	9.4	33	(4.7)	80	22.0	34	6,364	51	48
704.8	55	708.3	46	0.6	64	11.0	65	4.65	(31.4)	4.9	57	10.1	57	19.3	51	7,161	46	49
713.4	54	650.5	50	0.8	56	12.8	55	2.32	5.0	4.1	61	4.7	69	14.0	73	6,694	49	50

§ Net of unearned discount and loan-loss reserves. Figure includes lease financing.

‡ Figures reflect acquisition of NCNB Texas National Bank (No. 26 on last year's list), August 9, 1989.

* A wholly owned subsidiary of Hongkong & Shanghai Banking Corp. (No. 31 among last year's largest International Banks).

** Wholly owned by National Westminster Bank (No. 19 among last year's largest International Banks).

* Company's common stock is 76.5% owned by Bank of Tokyo (No. 15 among last year's largest International Banks).

† Name changed from United Jersey Banks.

THE 100 LARGEST COMMERCIAL BANKING COMPANIES

RANK BY ASSETS 1989	1988		ASSETS[1] $ Millions	ASSETS % change from 1988	DEPOSITS $ Millions	DEPOSITS Rank	LOANS[2] $ Millions	LOANS Rank	PROFITS $ Millions	PROFITS Rank	PROFITS % change from 1988
51	60	**HUNTINGTON BANCSHARES** Columbus, Ohio	11,679.8	22.9	8,589.6	55	7,032.0	52	108.0	38	23.3
52	54	**FIRST AMERICAN BANKSHARES** Washington	11,489.7	8.0	8,988.4	51	6,780.5	56	66.7	54	(16.9)
53	48	**MICHIGAN NATIONAL CORP.** Farmington Hills	11,480.0	1.5	9,295.1	50	6,671.3	58	187.3	23	101.0
54	55	**CRESTAR FINANCIAL CORP.** Richmond	11,360.8	9.2	8,467.3	56	7,676.1	50	103.8	41	19.8
55	53	**AMERITRUST CORP.** Cleveland	11,233.1	4.6	8,790.8	53	8,093.9	45	115.9	33	12.0
56	57	**NORTHERN TRUST CORP.** Chicago	10,937.7	10.4	7,038.3	61	5,510.0	63	113.2	34	3.6
57	56	**SOCIETY CORP.** Cleveland	10,903.3	8.9	8,424.5	57	6,719.9	57	110.0	36	10.0
58	47	**VALLEY NATIONAL CORP.** Phoenix	10,519.5	(10.6)	9,369.1	48	6,997.5	53	(149.2)	92	(321.7)
59	62	**MANUFACTURERS NATIONAL CORP.** Detroit	10,304.5	10.7	8,365.2	58	6,107.7	61	107.3	39	11.5
60	63	**DOMINION BANKSHARES** Roanoke, Va.	10,119.7	9.9	7,624.3	59	6,861.2	54	94.1	42	13.3
61	64	**STATE STREET BOSTON CORP.** Boston	9,983.0	19.2	6,178.0	66	2,414.7	99	104.0	40	12.7
62	61	**BAYBANKS** Boston	9,913.3	4.4	8,784.3	54	7,928.2	47	63.1	56	(28.7)
63	67	**FIRSTAR CORP.** Milwaukee	8,607.9	9.8	6,835.3	63	5,253.7	64	87.2	44	(34.1)
64	65	**AMSOUTH BANCORP.** Birmingham, Ala.	8,565.4	3.0	6,672.4	65	5,536.9	62	63.2	55	(20.8)
65	75	**BANCORP HAWAII** Honolulu	8,317.1	25.4	7,024.3	62	4,806.3	68	79.9	48	6.6
66	71	**BANK OF TOKYO TRUST** New York[4]	8,239.4	18.6	5,815.0	72	3,835.2	82	24.8	78	(33.3)
67	66	**OLD KENT FINANCIAL CORP.** Grand Rapids	8,127.2	3.5	6,780.2	64	5,005.2	66	85.4	46	10.7
68	68	**FLORIDA NAT'L BANKS OF FLA.** Jacksonville	7,882.7	.7	6,071.7	67	4,079.9	78	(131.9)	90	(477.7)
69	72	**BANK OF CALIFORNIA** San Francisco[5]	7,876.4	14.4	5,291.1	78	6,211.1	60	46.6**	70	83.1
70	74	**SOUTHTRUST CORP.** Birmingham, Ala.	7,763.2	16.8	6,054.5	68	4,630.8	72	72.8	51	7.7
71	70	**RIGGS NATIONAL CORP.** Washington	7,337.2	4.8	5,976.9	69	3,768.9	83	39.4	75	6.5
72	79	**FIRST MARYLAND BANCORP** Baltimore	7,186.9	14.5	4,944.2	82	4,965.2	67	73.4	50	40.1
73	73	**MARSHALL & ILSLEY CORP.** Milwaukee	7,150.8	5.5	5,585.3	75	4,567.7	73	85.4	45	12.1
74	90	**FIFTH THIRD BANCORP** Cincinnati	7,143.0	36.2	5,783.5	74	5,083.9	65	108.3	37	28.7
75	69	**FIRST AMERICAN CORP.** Nashville	7,058.3	(2.0)	5,824.6	71	4,520.8	75	4.2	84	(86.1)
76	76	**MERCANTILE BANCORP.** St. Louis	6,942.2	7.5	5,447.8	77	4,741.8	69	.5	86	(98.2)
77	77	**SANWA BANK CALIFORNIA** Los Angeles[10]	6,918.3	7.6	5,564.2	76	4,647.9	71	14.3	82	(54.9)
78	•	**INTEGRA FINANCIAL** Pittsburgh	6,767.6	(2.3)	5,803.8	73	3,951.3	80	35.6	76	(46.3)
79	83	**HIBERNIA CORP.** New Orleans	6,698.9	14.8	5,869.8	70	4,679.2	70	61.6	58	16.3
80	78	**FIRST PENNSYLVANIA CORP.** Philadelphia	6,604.9	3.1	4,633.9	88	4,543.0	74	N.A.		—
81	80	**FIRST TENNESSEE NATIONAL CORP.** Memphis	6,397.5	7.1	4,949.4	81	3,599.8	86	28.8	77	(45.0)
82	87	**SOUTH CAROLINA NATIONAL CORP.** Columbia	6,215.6	9.9	4,667.5	86	4,149.9	77	59.2	60	8.5
83	84	**UNITED BANKS OF COLORADO** Denver	6,080.4	4.6	4,754.3	84	3,148.0	96	18.1	80	100.6
84	82	**INB FINANCIAL CORPORATION** Indianapolis[12]	6,014.7	1.5	4,571.0	90	3,837.8	81	59.1	61	5.9
85	85	**BANCO POPULAR DE PUERTO RICO** San Juan	5,972.7	5.5	4,926.3	83	3,278.5	91	56.3	65	19
86	86	**STAR BANC CORPORATION** Cincinnati[13]	5,949.4	5.2	4,973.1	80	4,210.3	76	58.0	63	(0.8)
87	88	**COMMERCE BANCSHARES** Kansas City, Mo.	5,829.1	7.1	4,987.9	79	3,193.3	94	59.0	62	20.3
88	94	**FIRST SECURITY CORP.** Salt Lake City	5,794.8	12.3	4,149.1	94	3,989.4	79	43.1	72	30.6
89	92	**MERCHANTS NATIONAL CORP.** Indianapolis	5,576.6	6.7	4,122.4	96	3,457.0	89	41.4	73	(6.0)
90	99	**INDUSTRIAL BANK OF JAPAN TRUST CO.** New York[4]	5,575.0	17.4	3,199.1	100	2,339.5	100	15.9	81	3.6
91	95	**FIRST FLORIDA BANKS** Tampa	5,564.6	8.4	4,637.0	87	3,647.3	85	39.5	74	(19.3)
92	93	**FIRST ALABAMA BANCSHARES** Montgomery, Ala.	5,549.6	7.3	4,744.4	85	3,649.3	84	62.6	57	7.6
93	91	**EQUITABLE BANCORP** Baltimore	5,340.3[11]	1.8	3,517.3[11]	99	3,046.3[11]	97	N.A.		—
94	100	**CENTRAL FIDELITY BANKS** Richmond	5,335.2	12.8	4,142.3	95	3,493.8	88	54.4	66	9.9
95	81	**TRUSTCORP** Toledo	5,327.3	(10.4)	4,548.0	91	3,581.7	87	(104.1)	87	(8,401.1)
96	89	**EUROPEAN AMERICAN BANCORP** New York	5,293.3	(.8)	4,607.6	89	3,235.1	93	61.3	59	(37.0)
97	97	**BANK SOUTH CORP.** Atlanta	5,136.2	5.2	3,723.4	98	3,276.0	92	48.1	69	10.8
98	98	**FIRST VIRGINIA BANKS** Falls Church	5,124.0	6.8	4,426.7	93	3,294.8	90	67.4	53	10.6
99	•	**FIRST HAWAIIAN** Honolulu	5,080.1	19.9	4,512.3	92	2,772.6	98	57.4	64	32.5
100	•	**BB&T FINANCIAL CORP.** Wilson, N.C.	4,807.8	9.9	3,899.4	97	3,158.2	95	44.2	71	14.3
		TOTALS	2,300,256.5		1,614,752.1		1,443,943.3		6,994.8		

[4] Wholly owned by Bank of Tokyo (No. 15 among last year's largest International Banks).

[5] Company is 83% owned by Ban-Cal Tri State (No. 72 on last year's Commercial Bank list) and 17% owned by Mitsubishi Bank.

[10] Wholly owned by Sanwa Bank (No. 5 among last year's largest International Banks).

[11] Figures as of September 30, 1989.

STOCKHOLDERS' EQUITY		MARKET VALUE 4/20/90		PROFITS AS PERCENT OF ASSETS		PROFITS AS PERCENT OF STOCKHOLDERS' EQUITY		EARNINGS PER SHARE				TOTAL RETURN TO INVESTORS				EMPLOYEES		
$ Millions	Rank	$ Millions	Rank	%	Rank	%	Rank	1989/$	% change from 1988	1979-89 annual growth rate %	Rank	1989 %	Rank	1979-89 annual average %	Rank	Number	Rank	
720.7	52	870.7	39	0.9	42	15.0	31	2.11	4.1	8.7	38	38.6	15	23.1	25	5,885	57	51
844.3	44	N.A.		0.6	67	7.9	71	N.A.	—	—		—		—		6,101	53	52
734.5	50	577.2	59	1.6	1	25.5	1	12.13	99.8	12.0	19	15.0	51	16.9	63	6,000	55	53
750.3	48	783.0	43	0.9	45	13.8	46	3.28	10.8	10.4	27	25.0	34	21.9	35	6,029	54	54
717.6	53	658.3	48	1.0	22	16.2	16	3.11	18.7	7.2	48	25.7	33	19.1	52	6,105	52	55
591.2	61	1,106.6	32	1.0	21	19.1	5	6.23	(5.7)	13.0	15	42.1	13	24.1	18	5,632	60	56
746.2	49	1,037.7	35	1.0	28	14.7	37	4.63	10.5	8.8	37	7.2	66	19.9	47	5,935	56	57
446.7	76	271.7	83	(1.4)	93	(33.4)	94	(7.55)	(321.4)	—		(45.4)	88	(0.4)	87	7,354	45	58
654.5	57	679.4	47	1.0	20	16.4	14	7.06	10.3	8.1	42	21.6	42	22.2	33	5,784	58	59
625.0	58	575.6	61	0.9	41	15.1	28	2.45	14.5	6.9	49	22.5	40	15.5	70	5,599	61	60
597.2	60	1,310.5	30	1.0	19	17.4	8	2.84	13.1	21.0	1	50.9	8	42.4	1	7,624	42	61
572.9	63	214.8	86	0.6	65	11.0	64	3.95	(29.1)	7.9	44	(24.6)	87	20.7	43	5,748	59	62
580.1	62	650.0	52	1.0	26	15.0	29	3.73	(37.0)	10.9	25	27.8	27	24.2	16	6,733	48	63
560.7	65	521.5	64	0.7	60	11.3	61	2.60	(21.2)	5.5	55	10.1	58	16.5	66	4,822	65	64
482.7	71	646.2	53	1.0	36	16.5	11	5.41	3.0	11.1	22	44.0	12	22.9	27	3,769	80	65
400.4	85	N.A.		0.3	75	6.2	75	N.A.	—	—		—		—		368	99	66
600.1	59	636.5	55	1.1	17	14.2	42	3.23	9.5	10.6	26	24.4	36	21.7	37	4,525	66	67
327.5	95	N.A.		(1.7)	95	(40.3)	95	(4.95)	(477.9)	—		61.8	6	23.4	22	4,294	69	68
418.6	81	N.A.		0.6	66	11.1	63	N.A.	—	—		—		—		3,676	83	69
507.1	68	515.2	66	0.9	39	14.4	40	2.73	6.3	12.3	16	19.6	44	23.2	24	4,403	68	70
342.3	94	230.8	85	0.5	68	11.5	60	2.86	12.6	4.7	59	(3.1)	77	14.9	71	2,397	97	71
489.3	70	N.A.		1.0	24	15.0	30	N.A.	—	—		—		—		4,069	72	72
564.2	64	653.4	49	1.2	6	15.1	26	3.84	10.3	10.1	30	26.0	31	22.6	30	5,432	62	73
599.3	56	1,292.4	31	1.5	2	15.5	22	2.79	6.5	15.4	3	25.8	32	29.6	4	3,900	77	74
434.6	78	360.8	77	0.1	83	1.0	84	0.18	(86.4)	(17.9)	71	(1.0)	74	18.3	58	3,934	76	75
406.5	84	384.0	74	0.0	86	0.1	86	0.03	(98.3)	(35.6)	75	7.4	64	16.7	64	4,269	70	76
516.0	67	N.A.		0.2	79	2.8	80	N.A.	—	—		—		—		3,319	88	77
533.8	66	593.1	56	0.5	69	6.7	74	1.42	—	—		N.A.		—		3,855	79	78
392.8	87	441.6	68	0.9	44	15.7	21	2.30	10.6	13.3	12	31.0	21	24.1	17	3,028	91	79
388.9	88	N.A.		—		—		N.A.	—	—		29.0	25	6.6	84	3,589	85	80
380.7	90	372.5	76	0.5	73	7.6	72	1.82	(45.5)	1.3	66	7.1	67	18.7	55	3,977	75	81
436.6	77	422.9	70	1.0	37	13.6	50	2.73	8.8	10.4	28	(3.2)	78	21.2	40	3,887	78	82
431.8	80	298.4	82	0.3	76	4.2	78	1.04	131.1	(7.9)	70	61.8	5	7.3	83	3,684	82	83
434.6	79	420.4	71	1.0	31	13.6	48	3.38	5.3	13.5	10	6.7	68	25.7	9	3,007	93	84
383.0	89	383.2	75	0.9	38	14.7	38	2.81	19.1	11.0	24	26.0	30	26.8	5	5,213	64	85
462.5	72	570.6	63	1.0	32	12.5	57	2.01	(0.7)	5.8	53	21.6	43	19.9	48	3,560	86	86
398.0	86	411.1	72	1.0	27	14.8	35	3.12	26.8	10.2	29	30.8	22	22.3	31	3,632	84	87
416.1	82	400.0	73	0.7	58	10.4	66	3.48	28.9	1.6	65	35.8	16	10.2	80	4,153	71	88
369.5	92	345.4	80	0.7	59	11.2	62	2.82	(7.5)	4.2	60	13.5	54	17.8	61	3,315	89	89
318.3	97	N.A.		0.3	77	5.0	76	N.A.	—	—		—		—		132	100	90
408.9	83	355.3	79	0.7	61	9.6	68	2.48	(19.5)	8.2	41	8.8	63	23.2	23	4,065	73	91
489.4	69	515.6	65	1.1	11	12.8	56	1.90	7.3	6.8	50	18.6	47	19.7	49	3,979	74	92
349.2[1]	93	N.A.		—		—		N.A.	—	—		64.0	4	31.5	3	2,965	94	93
378.5	91	432.3	69	1.0	25	14.4	39	3.53	10.3	11.7	20	13.8	52	24.8	13	3,429	87	94
252.7	100	N.A.		(2.0)	97	(41.2)	97	(6.32)	—	—		(1.4)	75	13.2	75	3,268	90	95
450.6	75	N.A.		1.2	8	13.6	47	N.A.	—	—		—		—		2,485	96	96
323.1	96	306.9	81	0.9	40	14.9	33	1.42	10.9	13.3	11	23.3	38	25.3	10	3,010	92	97
454.6	74	573.4	62	1.3	4	14.8	36	3.20	10.3	9.3	34	26.2	29	21.8	36	4,482	67	98
281.1	99	592.0	57	1.1	10	20.4	3	2.14	32.5	14.4	7	72.5	2	31.7	2	2,205	98	99
311.1	98	359.2	78	0.9	43	14.2	43	2.29	11.7	5.8	54	22.2	41	16.1	67	2,958	95	100
128,077.4		117,163.9														1,073,931		

[1] Name changed from Indiana National Corp.
[2] Name changed from First National Cincinnati Corp.
[3] Wholly owned by Industrial Bank of Japan (No. 6 among last year's largest industrial banks).

THE SERVICE 500

THE 50 LARGEST DIVERSIFIED FINANCIAL COMPANIES

RANK BY ASSETS 1989	1988		ASSETS[1] $ Millions	% change from 1988	REVENUES[2] $ Millions	Rank	% change from 1988	PROFITS $ Millions	Rank	% change from 1988	STOCKHOLDER EQUITY $ Millions	Rank
1	1	**AMERICAN EXPRESS** New York	130,855.0	(8.3)	25,047.0	1	9.2	1,157.0	2	11.5	5,691.0	4
2	2	**FEDERAL NAT'L MORTGAGE ASS'N** Washington	124,314.8	10.7	11,497.0	8	8.1	807.3	5	59.2	2,991.2	11
3	3	**SALOMON** New York	118,250.0	38.7	8,999.0	10	46.4	470.0	9	67.9	2,865.0	13
4	4	**AETNA LIFE & CASUALTY** Hartford	87,099.0	7.0	19,671.4	3	(19.0)	676.4	6	(5.1)	6,936.7	3
5	5	**MERRILL LYNCH** New York	63,942.3	(.7)	11,855.4¶	7	12.4	(213.4)	49	(146.1)	3,151.3	9
6	6	**CIGNA** Philadelphia	57,779.0	3.5	15,654.0	4	(12.5)	562.0	8	19.0	5,520.0	5
7	7	**TRAVELERS** Hartford	56,563.0	6.1	12,523.0	6	(34.0)	455.0	11	341.7	4,833.0	6
8	9	**MORGAN STANLEY GROUP** New York	53,275.5	33.0	5,831.0	14	41.9	443.0	12	12.3	2,021.0	19
9	10	**AMERICAN INTERNATIONAL GROUP** New York	46,142.9	23.3	14,150.0	5	3.9	1,367.5	1	12.4	8,405.1	1
10	8	**ITT** New York	45,503.0	8.5	20,054.0	2	3.6	922.0	3	12.9	8,057.0	2
11	11	**BEAR STEARNS COS.** New York[3]	36,410.4	13.2	2,364.7	33	25.3	172.4	27	20.7	1,065.7	29
12	13	**STUDENT LOAN MARKETING ASS'N** Washington	35,488.4	24.0	3,280.5	25	44.4	257.6	22	14.5	1,037.5	30
13	•	**FEDERAL HOME LOAN MORTGAGE** Reston, Va.	35,462.0	3.2	3,757.0	21	31.0	437.0	13	14.7	1,916.0	22
14	15	**LOEWS** New York	32,451.3	25.6	11,480.0	9	5.7	907.1	4	(0.1)	4,810.5	7
15	12	**AMERICAN GENERAL** Houston	32,062.0	5.4	4,227.0	17	(35.7)	464.0	10	5.0	4,090.0	8
16	14	**TRANSAMERICA** San Francisco	29,839.9	11.5	6,834.1	12	(13.3)	332.2	16	(4.1)	2,928.7	12
17	16	**HOUSEHOLD INTERNATIONAL** Prospect Heights, Ill.	26,162.7	24.4	3,490.1	24	32.3	239.5	23	(2.9)	1,194.0	27
18	17	**LINCOLN NATIONAL** Fort Wayne	25,070.1	19.6	8,181.7	11	11.9	268.8	21	83.3	2,391.8	16
19	18	**PAINE WEBBER GROUP** New York	22,096.3	23.2	2,925.8	26	16.5	52.0	42	22.7	1,001.2	32
20	19	**PRIMERICA** New York	17,955.3	24.4	5,695.3	15	467.4	289.0	20	78.6	2,602.5	15
21	22	**CAPITAL HOLDING** Louisville, Ky.	14,970.0	15.5	2,500.1	30	22.2	219.7	25	15.7	1,516.3	25
22	21	**CONTINENTAL** New York	14,259.0	7.2	6,078.6	13	(8.0)	153.1	28	17,143	2,287.1	18
23	23	**USF&G** Baltimore	13,601.1	10.0	4,701.0	16	(15.8)	119.0	30	(51.8)	2,007.3	20
24	20	**AMBASE** New York[4]	13,078.0	(1.7)	3,526.0	22	18.4	96.0	34	10.3	1,083.0	28
25	24	**KEMPER** Long Grove, Ill.	12,696.1	5.1	2,891.4	27	(17.1)	307.4	17	37.4	1,724.3	24
26	25	**FUND AMERICAN COS.** Greenwich, Conn.[5]	11,720.0	4.7	3,499.0	23	(5.5)	73.0	38	(68.9)	1,935.0	21
27	27	**CHUBB** Warren, N.J.	11,178.6	14.8	4,022.6	19	1.1	420.8	14	17.0	2,603.7	14
28	26	**ST. PAUL COS.** St. Paul	11,030.1	6.2	3,800.9	20	4.7	398.2	15	12.1	2,349.3	17
29	30	**RELIANCE GROUP HOLDINGS** New York	10,400.4	15.0	4,028.8	18	8.0	21.7	44	(7.8)	347.2	44
30	28	**GENERAL RE** Stamford, Conn.	10,389.5	10.6	2,771.3	29	1.3	598.5	7	24.7	3,084.1	10
31	33	**SAFECO** Seattle	9,278.7	20.0	2,816.6	28	(6.7)	300.2	18	11.8	1,850.7	23
32	31	**AON** Chicago	9,156.4	10.8	2,324.7	32	(14.9)	232.4	24	29.4	1,422.4	26
33	34	**BENEFICIAL** Wilmington, Del.	7,947.5	5.3	1,578.3	36	11.3	120.9	29	15.1	911.1	33
34	36	**FIRST EMPIRE STATE** Buffalo	6,233.8	5.5	627.5	44	16.8	41.3	43	(7.2)	406.3	42
35	35	**LOMAS FINANCIAL** Dallas[6]	4,125.8	(37.9)	609.9	45	(49.3)	(296.8)	50	–	210.2	47
36	50	**ALLEGHANY** New York	3,977.8	144.1	1,073.7	41	6.7	55.0	41	19.6	617.0	39
37	45	**DCNY** Wilmington, Del.	3,869.3	62.1	280.9	50	58.0	(1.9)	47	–	114.1	48
38	43	**CHARLES SCHWAB** San Francisco	3,480.3	37.4	553.2	46	41.1	18.9	45	156.0	171.7	47
39	37	**GEICO** Washington	3,434.4	12.2	1,939.4	34	10.4	213.1	26	12.7	898.1	34
40	39	**OHIO CASUALTY** Hamilton	3,145.7	7.7	1,577.1	37	0.1	101.5	32	(20.7)	775.0	36
41	38	**OLD REPUBLIC INTERNATIONAL** Chicago	3,123.5	3.9	1,187.8	40	7.8	99.0	33	94.4	663.2	38
42	41	**HANOVER INSURANCE** Worcester, Mass.	2,954.7	11.5	1,622.5	35	2.7	82.8	35	(30.9)	741.1	37
43	44	**STATESMAN GROUP** Des Moines	2,858.0	18.9	293.3	49	(56.7)	8.3	46	411.6	65.5	49
44	40	**LANDMARK LAND** Carmel, Calif.	2,667.5	(1.0)	526.6	48	9.3	(34.9)	48	(317.4)	10.7	50
45	46	**PROGRESSIVE** Mayfield Heights, Ohio	2,646.8	14.7	1,392.7	38	13.5	78.0	37	(27.8)	435.2	41
46	42	**ALEXANDER & ALEXANDER SERVICES** New York	2,604.7	(1.2)	1,248.9	39	1.7	60.1	40	(11.0)	375.1	43
47	47	**CINCINNATI FINANCIAL** Fairfield, Ohio	2,552.0	20.5	974.4	42	7.1	114.5	31	(11.1)	1,020.3	31
48	•	**LEUCADIA NATIONAL** New York	2,244.7	2.2	710.3	43	(21.1)	64.3	39	201.5	257.7	45
49	49	**MARSH & MCLENNAN COS.** New York	2,035.2	11.2	2,455.4	31	8.1	294.9	19	(0.5)	873.0	35
50	48	**ARGONAUT GROUP** Los Angeles	1,936.6	2.7	546.1	47	8.3	81.6	36	(19.8)	474.6	40
		TOTALS	1,280,318.9		259,677.0			14,107.1			104,739.6	

N.A. Not available
• Not on last year's list
** Reflects an extraordinary credit of at least 10%; see the explanations of "profits" and "earnings per share" on page 332
† Average for the year, see the reference to "employees" on page 332
‡ Reflects an extraordinary charge of at least 10%, see the explanations of "profits" and "earnings per share" on page 332
§ Dividends paid on mandatory redeemable preferred stock subtracted from profits
¶ As of December 31, 1989, unless otherwise noted. Assets of consolidated subsidiaries are included. Holding companies engaged in commercial banking, savings, or life, health, and accident insurance are listed here only when assets of those busi-

MARKET VALUE 4/20/90		NET PROFITS AS PERCENT OF						EARNINGS PER SHARE				TOTAL RETURN TO INVESTORS				EMPLOYEES		
		REVENUES		ASSETS		STOCK-HOLDERS' EQUITY			% change from	1979-89 annual growth rate				1979-89 annual average				
$ Millions	Rank	%	Rank	%	Rank	%	Rank	1989/$	1988	%	Rank	1989 %	Rank	%	Rank	Number	Rank	
11,753.9	2	4.6	33	0.9	31	20.3	8	2.70	11.1	8.4	17	34.3	23	20.9	17	107,542	2	1
8,271.9	3	7.0	22	0.6	39	27.0	2	3.14	46.5	12.9	9	103.2	2	22.7	13	2,500	41	2
2,470.6	19	5.2	27	0.4	43	14.2§	24	3.26	97.6	2.1	26	(0.6)	47	8.8	37	8,900	26	3
5,249.3	7	3.4	37	0.8	35	9.7§	38	6.02	(3.5)	(1.8)	32	25.7	28	11.8	33	45,500	4	4
2,387.6	20	(1.8)	48	(0.3)	48	(6.8)	48	(2.31)	(153.8)	–		13.1	39	14.0	28	41,000	5	5
3,792.8	13	3.6	36	1.0	29	10.2	36	7.00	23.2	0.3	30	33.0	24	10.9	35	47,677	3	6
3,213.1	15	3.6	35	0.8	34	9.4	39	4.37	375.0	(0.5)	31	12.6	41	13.3	30	38,000	6	7
2,488.3	18	7.6	21	0.8	33	21.9	7	11.21	9.3	–		18.6	33	–		6,700	31	8
15,653.5	1	9.7	13	3.0	11	16.3	17	8.29	12.0	16.2	3	53.5	13	21.3	16	33,000	7	9
6,444.9	6	4.6	34	2.0	19	11.4	28	6.52	14.4	9.4	15	20.0	32	14.6	25	119,000	1	10
1,102.5	32	8.1	17	0.5	42	15.9	21	1.78	25.8	–		21.2	30	–		5,994	33	11
4,534.1	9	7.9	19	0.7	37	24.8	4	2.53	18.4	–		43.2	17	–		2,084	44	12
4,034.1	11	11.6	5	1.2	25	22.8	6	6.57	13.7	–		36.0	21	–		1,899	45	13
8,120.9	4	7.9	18	2.8	15	18.9	11	12.07	1.1	17.4	2	59.0	10	33.6	2	26,800	8	14
4,440.6	10	11.0	7	1.4	23	11.3	29	3.76	9.3	2.5	25	10.1	43	14.5	27	14,000	17	15
2,703.3	17	4.9	31	1.1	26	11.3	30	4.18	(5.4)	1.3	29	37.2	20	17.0	22	15,500	14	16
1,615.0	28	6.9	23	0.9	30	19.3§	10	6.47	(4.9)	6.9	21	14.5	37	20.2	19	14,500	16	17
2,217.5	24	3.3	39	1.1	28	11.2	31	6.06	88.8	5.5	23	46.7	15	17.1	21	16,465	11	18
430.1	42	1.8	45	0.2	45	5.2	44	1.05	81.0	(2.4)	33	7.7	44	14.5	26	12,900	18	19
3,331.6	14	5.1	30	1.6	20	11.1	34	2.87	(20.5)	–		32.6	25	–		18,000†	10	20
2,014.7	26	8.8	15	1.5	22	14.5	23	4.62	15.5	12.5	10	62.8	7	22.7	12	9,000	25	21
1,581.3	29	2.5	43	1.1	27	6.7	42	2.74	–	(6.0)	34	3.4	45	9.6	36	15,500	15	22
2,363.5	21	2.5	42	0.9	32	5.1§	45	1.57	(44.9)	(9.2)	36	11.0	42	12.3	32	11,500†	20	23
238.6	46	2.7	41	0.7	36	8.9	41	2.82	10.2	–		13.0	40	–		9,400	24	24
1,751.0	27	10.6	9	2.4	17	17.8	13	5.96	56.4	9.7	14	99.9	3	21.5	15	10,000	22	25
1,137.8	31	2.1	44	0.6	40	3.8	46	0.99	(78.0)	–		20.9	31	–		10,639†	21	26
3,799.4	12	10.5	11	3.8	6	16.2	19	9.83	15.0	11.8	11	69.8	4	24.3	10	9,800	23	27
2,859.6	16	10.5	10	3.6	7	16.9	15	8.13	10.2	7.7	19	41.7	18	16.5	23	12,625	19	28
428.7	43	0.5	46	0.2	46	6.3	43	0.29	(9.4)	–		17.2	35	–		8,774	27	29
7,472.9	5	21.6	1	5.8	3	19.4	9	6.52	29.4	15.8	4	59.9	8	24.3	9	2,379	42	30
2,087.0	25	10.7	8	3.2	8	16.2	18	4.75	15.9	10.6	12	69.7	5	20.4	18	8,660	28	31
2,301.9	22	10.0	12	2.5	16	16.3	16	3.54	26.9	7.7	18	57.1	11	22.9	11	16,000	13	32
1,083.7	33	7.7	20	1.5	21	12.8§	26	5.01	19.6	1.7	28	18.1	34	13.3	29	7,200	29	33
434.1	41	6.6	24	0.7	38	10.2	37	5.73	(4.8)	14.2	5	28.1	27	31.5	3	2,347	43	34
24.3	50	(48.7)	50	(7.2)	50	(141.2)	49	(8.20)	–	–		(91.7)	50	(10.6)	40	4,016	39	35
540.9	39	5.1	28	1.4	24	8.9	40	8.59	20.5	6.5	22	31.5	26	26.9	7	5,000	36	36
81.2	48	(0.7)	47	0.0	47	(1.6)	47	(0.23)	–	–		(30.3)	48	28.4	6	442	49	37
388.3	44	3.4	38	0.5	41	11.0	35	0.68	151.9	–		107.0	1	–		2,838	40	38
2,251.8	23	11.0	6	6.2	2	23.7	5	13.74	15.3	12.9	8	24.6	29	31.2	4	6,745	30	39
870.8	35	6.4	25	3.2	9	13.1	25	4.93	(16.2)	3.4	24	38.3	19	15.9	24	5,255	35	40
528.7	40	8.3	16	3.2	10	14.9	22	4.44	103.6	7.0	20	14.2	38	12.8	31	4,919	37	41
567.4	38	5.1	29	2.8	14	11.2	33	4.02	(30.9)	9.7	13	15.7	36	20.1	20	5,850	34	42
25.0	49	2.8	40	0.3	44	12.7	27	0.60	1,548.4	1.8	27	3.0	46	6.0	38	675	48	43
109.0	47	(6.6)	49	(1.3)	49	(325.8)	50	(4.37)	(320.7)	–		(39.0)	49	11.2	34	4,800	38	44
868.7	36	5.6	26	2.9	12	17.9	12	2.93	(24.1)	22.8	1	69.6	6	34.4	1	6,049	32	45
955.5	34	4.8	32	2.3	18	16.0	20	1.48	(9.2)	(6.4)	35	35.1	22	4.1	39	16,000	12	46
1,217.3	30	11.7	4	4.5	4	11.2	32	7.00	(12.1)	13.7	7	55.3	12	25.4	8	1,850	46	47
322.4	45	9.1	14	2.9	13	25.0	3	4.81	196.9	14.1	6	48.7	14	30.8	5	350	50	48
5,078.9	8	12.0	3	14.5	1	33.8	1	4.10	0.2	9.4	16	43.9	16	21.7	14	23,600	9	49
683.4	37	14.9	2	4.2	5	17.2	14	8.26	(12.2)	–		59.5	9	–		850	47	50
138,323.3																800,974		

nesses represent less than 80% of the company's total.
Total revenues during the year, including any consolidated or nonfinancial revenues from manufacturing, retailing, etc., and revenues from discontinued operations when published. All companies on the list must have derived more than 50% of their revenues from financial businesses and have a publicly traded stock.
Figures are for fiscal year ended June 30, 1989.

* Name changed from Home Group.
** Name changed from Fireman's Fund.
^ Name changed from Lomas & Nettleton Financial.

THE 50 LARGEST SAVINGS INSTITUTIONS

RANK BY ASSETS 1989	1988		ASSETS[1] $ Millions	% change from 1988	DEPOSITS $ Millions	Rank	LOANS[2] $ Millions	Rank	PROFITS $ Millions	Rank	% change from 1988
1	1	**H.F. AHMANSON** Los Angeles	44,651.5	10.9	33,086.0	1	38,406.8	1	193.9	1	(4.0)
2	2	**GREAT WESTERN FINANCIAL CORP.** Beverly Hills	37,176.4	13.3	23,784.3	2	33,187.0	2	100.1	5	(59.7)
3	3	**CALFED** Los Angeles	26,190.8	(4.7)	15,667.5	4	18,092.1	4	82.4	6	(38.9)
4	4	**GLENFED** Glendale, Calif.[3]	25,626.2	8.1	15,679.2	3	19,564.0	3	116.0	3	(31.3)
5	7	**GOLDEN WEST FINANCIAL CORP.** Oakland	19,520.6	16.7	11,787.4	6	15,011.0	6	157.9	2	14.2
6	6	**HOMEFED CORP.** San Diego	17,766.7	4.5	13,010.9	5	15,384.5	5	115.7	4	3.9
7	8	**GREAT AMERICAN BANK** San Diego[4]	15,898.6	(1.2)	11,419.3	7	12,934.7	7	(263.4)	45	(623.8)
8	9	**CROSSLAND SAVINGS** New York	14,102.4	(6.9)	8,994.1	11	7,812.8	15	(191.7)	42	(1,355.6)
9	11	**GOLDOME** Buffalo	12,999.1	(13.1)	9,375.7	10	10,605.7	8	(253.0)	44	—
10	5	**MERITOR SAVINGS BANK** Philadelphia[5]	12,639.8	(26.4)	10,503.2	8	10,489.8	9	(55.6)**	31	—
11	16	**DIME SAVINGS BANK OF NEW YORK** Garden City	11,652.2	(3.0)	9,759.2	9	10,255.9	10	(92.3)	36	(215.2)
12	17	**FIRSTFED MICHIGAN CORP.** Detroit[6]	11,490.4	(3.8)	4,347.2	25	9,005.2	12	22.5**	12	(38.4)
13	12	**FRANKLIN SAVINGS ASSOCIATION** Ottawa, Kans.	11,353.3	(15.4)	3,646.4	27	239.2	50	(9.0)**	25	(111.2)
14	14	**COAST SAVINGS FINANCIAL** Los Angeles[7]	11,243.7	(11.1)	8,903.3	12	9,980.9	11	(74.2)	34	(255.2)
15	15	**IMPERIAL CORP. OF AMERICA** San Diego	10,960.8[8]	(10.6)	7,682.9[8]	15	8,135.7[8]	13	N.A.		—
16	18	**EMPIRE OF AMERICA FEDERAL SAVINGS** Buffalo	10,272.5[8]	(8.9)	8,095.2[8]	13	8,005.1[8]	14	N.A.		—
17	21	**STANDARD FEDERAL BANK** Troy, Mich.	9,638.4	0.7	6,168.8	18	7,581.7	16	45.7	8	(27.8)
18	13	**COLUMBIA SAVINGS & LOAN ASS'N** Beverly Hills	9,253.2	(27.4)	7,766.8	14	3,091.4	39	(591.1)	46	(1,010.0)
19	20	**CENTRUST BANK** Miami[9]	8,975.7	(8.1)	6,276.2	17	5,712.9	19	(119.5)**	38	(338.7)
20	22	**ANCHOR SAVINGS BANK** Hewlett, N.Y.[4]	8,968.8	12.9	6,781.4	16	4,722.6	22	(23.1)	28	(445.5)
21	24	**NORTHEAST SAVINGS** Hartford[10]	7,942.7	5.1	4,480.0	22	3,107.4	37	(12.9)**	26	(161.3)
22	23	**ATLANTIC FINANCIAL FEDERAL** Bala Cynwyd, Pa.[9]	7,583.3	(2.8)	4,909.1	20	6,174.2	17	(161.1)	41	(977.1)
23	30	**PEOPLE'S BANK** Bridgeport, Conn.	7,054.4	11.6	5,560.0	19	5,733.3	18	32.5	9	(11.3)
24	28	**WASHINGTON MUTUAL SAVINGS BANK** Seattle	6,594.2	3.6	3,966.7	26	4,093.5	27	19.8	16	(48.6)
25	31	**PERPETUAL FINANCIAL CORP.** Vienna, Va.[11]	6,170.6	5.4	4,411.3	23	4,221.5	26	22.4	13	(28.2)
26	29	**TALMAN HOME FED. S&L ASS'N OF ILL.** Chicago[9]	6,091.8	(3.9)	4,400.8	24	4,737.4	21	20.2	14	(21.2)
27	25	**COMMERCIAL FEDERAL CORP.** Omaha[9]	6,063.6	(8.9)	2,852.5	43	5,007.9	20	2.2**	23	86.2
28	•	**ENSTAR GROUP** Montgomery, Ala.[12]	5,594.4	(8.1)	3,334.5	34	3,948.8	29	(150.7)	40	(448.2)
29	27	**AMERICAN CAPITAL CORP.** Miami	5,435.9	(15.1)	3,633.2	28	4,286.1	25	(35.3)	29	(1,027.4)
30	37	**HOWARD SAVINGS BANK** Newark, N.J.	5,081.4	(2.7)	4,648.2	21	3,525.8	33	(66.1)	33	(288.4)
31	34	**BENJ. FRANKLIN FED. S&L ASS'N** Portland, Oreg.	5,065.1[8]	(7.4)	3,273.3[8]	37	3,844.3[8]	31	N.A.		—
32	38	**FLORIDA FEDERAL SAVINGS BANK** St. Petersburg[3,13]	5,029.8	(2.5)	2,862.6	42	4,355.4	24	(76.4)	35	—
33	42	**CITADEL HOLDING CORP.** Glendale, Calif.	4,980.6	7.3	3,317.0	35	4,496.9	23	8.1	21	(66.2)
34	•	**SOUTHMARK** Dallas[3,14]	4,898.3	(46.5)	3,052.6	39	1,925.8	46	(1,460.3)	47	—
35	39	**FINANCIAL CORP. OF SANTA BARBARA**	4,665.6	(6.9)	1,901.2	50	4,083.4	28	(60.3)	32	—
36	36	**TCF FINANCIAL CORP.** Minneapolis	4,656.7	(11.4)	3,363.4	33	3,871.0	30	19.1**	17	(11.0)
37	45	**AMERICAN SAVINGS BANK** New York	4,430.2	(2.3)	3,451.7	31	2,803.6	44	2.3	22	(93.2)
38	•	**SOCIETY FOR SAVINGS** Hartford	4,417.1	12.4	2,807.4	44	2,823.9	42	46.0	7	38.3
39	40	**FARWEST FINANCIAL** Newport Beach, Calif.	4,345.1	(8.7)	3,457.5	30	3,105.6	38	(46.1)	30	(637.8)
40	43	**AMERIFIRST BANK** Miami[9]	4,299.5	(6.9)	3,296.4	36	3,397.8	35	(117.8)	37	(9,377.8)
41	44	**CITIZENS SAVINGS FINANCIAL CORP.** Miami	4,299.3	(6.1)	2,990.2	41	3,798.4	32	13.9	18	3.9
42	47	**OLD STONE FINANCIAL** Providence	4,245.6	(4.6)	3,214.2	38	3,396.1	36	(20.7)	27	(156.9)
43	48	**DOWNEY S&L ASS'N** Newport Beach, Calif.	4,098.7	(5.4)	3,510.8	29	2,713.5	45	13.6	20	(52.9)
44	49	**ROCHESTER COMM. SAV.** Rochester, N.Y.[15]	3,977.1	(6.2)	2,625.4	46	3,086.1	40	20.0	15	8.7
45	50	**HOME OWNERS SAVINGS BANK** Boston[16]	3,878.7	(8.0)	3,042.1	40	1,540.2	48	(127.5)	39	(722.6)
46	•	**APPLE BANCORP** New York	3,840.1	15.1	3,409.5	32	3,445.9	34	25.1**	10	3.4
47	•	**METROPOLITAN FINANCIAL CORP.** Fargo, N.D.	3,822.5	(6.2)	2,719.4	45	1,670.8	47	24.1	11	112.0
48	41	**SEAMEN'S CORP.** New York	3,822.2	(18.8)	2,241.2	48	883.1	49	(212.7)	43	(1,388.5)
49	46	**SFFED CORP.** San Francisco	3,385.9	(24.7)	2,604.0	47	2,821.7	43	(8.6)	24	(144.9)
50	•	**GREAT LAKES BANCORP** Ann Arbor, Mich.	3,385.4	(6.9)	1,921.3	49	3,067.6	41	13.7	19	(15.8)
		TOTALS	479,536.8		323,992.7		354,185.8		(3,112.1)		

N.A. Not available
• Not on last year's list
** Reflects an extraordinary credit of at least 10%, see the explanations of "profits" and "earnings per share" on page 332

† Average for the year, see the reference to "employees" on page 332
‡ Reflects an extraordinary charge of at least 10%, see the explanations of "profits" and "earnings per share" on page 332
§ Dividends paid on mandatory redeemable preferred stock subtracted from profits

[1] As of December 31, 1989, unless otherwise noted. All companies on the list must have derived more than 50% of their consolidated revenues from chartered thrift institutions, and must have a publicly traded stock.
[2] Net of unearned discount and loan loss reserve. Figure includes lease financing.

STOCKHOLDERS' EQUITY		MARKET VALUE 4/20/90		PROFITS AS PERCENT OF ASSETS		STOCKHOLDERS' EQUITY		EARNINGS PER SHARE 1989/$	% change from 1988	1979-89 annual growth rate		TOTAL RETURN TO INVESTORS 1989		1979-89 annual average		EMPLOYEES		
$ Millions	Rank	$ Millions	Rank	%	Rank	%	Rank			%	Rank	%	Rank	%	Rank	Number	Rank	
2,000.8	1	1,663.8	2	0.4	10	9.7	9	1.95	(4.4)	1.4	4	21.4	10	15.8	3	10,819	3	1
1,988.3	2	2,199.5	1	0.3	19	5.0	19	0.78	(60.0)	(7.3)	5	21.7	9	11.5	5	14,641	2	2
1,424.9	3	455.1	5	0.3	17	5.8	17	3.28	(39.1)	–		(1.8)	15	–		5,676	5	3
1,146.7	4	399.0	6	0.5	9	10.1	7	3.92	(32.1)	–		(12.2)	20	–		7,000	4	4
1,046.3	5	1,582.9	3	0.8	2	15.1	2	2.51	13.8	15.8	1	72.4	2	23.7	1	3,107	11	5
1,042.3	6	573.0	4	0.7	4	11.1	4	5.36	2.7	–		28.9	6	–		4,591	7	6
373.5	15	68.9	25	(1.7)	39	(70.5)	38	(11.00)	(628.8)	–		(36.7)	27	–		3,480	10	7
647.2	7	24.2	34	(1.4)	37	(29.6)	32	(16.85)	–	–		(79.3)	38	–		3,505	9	8
101.7	39	35.1	29	(1.9)	40	(248.8)	42	(9.13)	–	–		5.9	12	–		3,708	8	9
303.7	19	72.3	23	(0.4)	28	(18.3)	30	(1.58)**	–	–		(42.1)	29	–		2,973	12	10
631.9	8	177.0	12	(0.8)	32	(14.6)	28	(4.05)	(215.1)	–		(23.5)	25	–		2,640	16	11
437.4	12	154.9	14	0.2	20	5.1	18	2.03**	(38.7)	–		(0.4)	14	–		1,642	26	12
391.9	14	N.A.		(0.1)	24	(2.3)	24	(0.26)**	(110.9)	–		N.A.		–		573	42	13
225.7	26	127.2	18	(0.7)	31	(32.9)	33	(4.87)	(234.2)	–		(18.3)	24	–		2,027	21	14
140.4[4]	36	1.4	44	–		–		N.A.	–	–		(89.7)	44	(24.2)	11	N.A.		15
(53.5)[5]	48	N.A.		–		–		N.A.	–	–		(81.8)	41	–		N.A.		16
440.8	10	237.2	9	0.5	7	10.4	6	1.48	(28.5)	–		11.2	11	–		2,300	20	17
77.6	42	12.5	38	(6.4)	46	(761.9)	44	(30.11)	(2,042.6)	–		(59.8)	34	–		952	38	18
234.8	25	N.A.		(1.3)	36	(50.9)	36	(15.83)**	(576.8)	–		(90.2)	45	–		2,650	15	19
437.6	11	30.6	31	(0.3)	27	(5.3)	26	(2.14)	–	–		(81.0)	40	–		2,703	14	20
283.3	21	28.6	33	(0.2)	25	(4.6)	25	(3.98)**	(288.9)	–		(46.9)	30	–		1,281	31	21
61.4	44	N.A.		(2.1)	41	(262.6)	43	(39.33)	(1,389.5)	–		(92.2)	46	–		N.A.		22
480.7	9	215.8	10	0.5	8	6.8	13	1.00	122.2	–		N.A.		–		2,750	13	23
424.7	13	244.2	8	0.3	18	4.7	20	1.23	(52.0)	–		35.9	4	–		N.A.		24
315.3	18	60.0	27	0.4	13	7.1	12	1.34	(33.0)	–		(12.3)	21	–		1,711	24	25
331.6	16	44.6	28	0.3	15	6.1	16	2.08	(21.2)	–		(6.1)	19	–		1,850	22	26
129.6	37	20.8	35	0.0	23	1.7	22	0.32**	68.4	–		(51.6)	31	–		1,120	34	27
251.5	24	131.0	17	(2.7)	42	(59.9)	37	(2.74)	(442.5)	–		(59.6)	33	2.31	7	4,982	6	28
73.5	43	7.6	39	(0.6)	30	(48.0)	35	(2.32)	–	–		(78.3)	37	(10.4)	9	N.A.		29
288.4	20	73.6	22	(1.3)	35	(22.9)	31	(4.61)	(289.7)	–		(56.3)	32	–		2,393	19	30
179.7[6]	30	N.A.		–		–		N.A.	–	–		(34.3)	26	–		N.A.		31
35.7	46	3.5	43	(1.5)	38	(214.0)	40	(8.13)	–	–		(79.4)	39	–		1,559	27	32
195.1	28	142.6	15	0.2	21	4.2	21	2.47	(66.3)	–		26.8	7	–		805	40	33
(758.9)	50	4.5	41	(29.8)	47	–		(33.16)	–	–		(93.2)	47	–		30,000†	1	34
(25.7)	47	3.7	42	(1.3)	34	–		(10.01)	–	–		(75.0)	36	(23.6)	10	729	41	35
176.1	32	70.0	24	0.4	11	10.9	5	2.63**	(12.0)	–		57.1	3	–		2,400	18	36
177.5	31	19.5	37	0.1	22	1.3	23	(0.49)	(110.5)	–		(38.3)	28	–		1,278	32	37
271.7	22	131.0	16	1.0	1	16.9	1	3.86	37.9	–		(4.7)	18	–		1,268	33	38
96.7	40	19.5	36	(1.1)	33	(47.6)	34	(5.90)	(641.3)	–		(16.5)	23	5.6	6	475	43	39
78.7	41	29.0	32	(2.7)	43	(149.7)	39	(10.44)	(8,800.0)	–		(87.8)	43	–		1,744	23	40
166.0	33	31.8	30	0.3	16	8.4	11	4.48	2.8	12.1	2	(2.0)	16	14.7	4	953	37	41
115.8	38	84.6	20	(0.5)	30	(17.9)	29	(2.77)	(169.4)	–		(63.1)	35	1.4	8	2,431	17	42
219.4	27	266.4	7	0.3	14	6.2	14	0.85	(52.8)	3.5	3	76.2	1	22.6	2	1,079	35	43
325.6	17	164.1	13	0.5	6	6.2	15	1.45	8.2	–		(13.5)	22	–		1,459	29	44
52.5	45	6.6	40	(3.3)	44	(242.7)	41	(23.44)	(1,402.2)	–		(86.6)	42	–		1,400	30	45
253.8	23	197.7	11	0.7	3	9.9	8	5.46**	3.2	–		2.8	13	–		1,500	28	46
188.7	29	80.8	21	0.6	5	12.8	3	3.15	88.3	–		25.4	8	–		1,683	25	47
(111.1)	49	N.A.		(5.6)	45	–		(13.11)	(1,385.3)	–		N.A.		–		381	44	48
161.9	34	87.0	19	(0.3)	26	(5.3)	27	(1.12)	(145.2)	–		34.0	5	–		826	39	49
148.2	35	64.6	26	0.4	12	9.3	10	3.49	(16.1)	–		(3.1)	17	–		1,048	36	50
17,627.2		10,047.7														144,092		

[1] Figures are for fiscal year ended June 30, 1989.
[2] Name changed from Great American First Savings Bank.
[3] Name changed from Meritor Financial Group.
[4] Name changed from First Federal of Michigan.
[5] Name changed from Coast Savings & Loan Assoc.
[6] Figure as of September 30, 1989.
[7] Figures are for fiscal year ended September 30, 1989.
[8] Figures are for fiscal year ended March 31, 1989.
[9] Figures are for fiscal year ended October 31, 1989.
[10] Includes figures of American Savings & Loan Association of Florida (No. 35 last year).
[11] Name changed from Florida Federal Savings & Loan Assoc.
[12] Company was No. 29 on 1988 Diversified Financial list.
[13] Figures are for fiscal year ended November 30, 1989.
[14] Name changed from Home Owners Federal S&L Assoc.

THE 50 LARGEST LIFE INSURANCE COMPANIES

RANK BY ASSETS 1989	1988		ASSETS[1] $ Millions	% change from 1988	PREMIUM AND ANNUITY INCOME[2] $ Millions	Rank	NET INVESTMENT INCOME $ Millions	Rank	NET GAIN FROM OPERATIONS[3] $ Millions	Mutual Rank	Stock Rank
1	1	**PRUDENTIAL OF AMERICA** Newark, N.J.*	129,118.1	11.1	21,535.2	1	8,078.1	1	360.0	1	
2	2	**METROPOLITAN LIFE** New York*	98,740.3	4.8	15,183.1	2	7,380.7	2	183.6	4	
3	3	**EQUITABLE LIFE ASSURANCE** New York*	52,511.9	4.2	4,620.1	8	2,852.7	6	(28.7)	20	
4	4	**AETNA LIFE** Hartford[8]	52,022.6	6.4	8,642.6	3	3,551.4	4	353.2		1
5	5	**TEACHERS INSURANCE & ANNUITY** New York	44,374.1	14.9	3,198.0	12	3,979.3	3	148.6		5
6	6	**NEW YORK LIFE** New York*	37,302.4	6.1	6,428.1	4	2,948.7	5	116.4	7	
7	7	**CONNECTICUT GENERAL LIFE** Bloomfield[9]	33,991.2	9.3	2,513.6	19	2,130.1	9	276.9		2
8	8	**TRAVELERS** Hartford	32,087.5	4.6	5,169.3	7	2,247.6	8	106.1		9
9	9	**JOHN HANCOCK MUTUAL LIFE** Boston*	30,924.8	9.2	6,017.6	5	2,287.1	7	199.8	2	
10	10	**NORTHWESTERN MUTUAL LIFE** Milwaukee*	28,500.0	12.4	3,751.9	10	2,130.0	10	188.5	3	
11	11	**MASSACHUSETTS MUTUAL LIFE** Springfield*	24,842.3	10.9	2,930.4	15	1,866.9	11	123.8	6	
12	12	**PRINCIPAL MUTUAL LIFE** Des Moines*	24,825.5	12.8	5,495.5	6	1,809.8	12	160.6	5	
13	14	**MUTUAL OF NEW YORK** New York*	17,181.3	9.0	2,716.6	17	1,115.4	15	12.0	15	
14	13	**NEW ENGLAND MUTUAL LIFE** Boston*	16,666.7	4.9	2,672.3	18	1,135.2	14	(13.9)	19	
15	33	**LINCOLN NATIONAL LIFE** Fort Wayne[10,11]	16,161.9	184.2	3,875.3	9	1,029.9	16	71.8		13
16	15	**EXECUTIVE LIFE** Los Angeles	13,168.2	2.8	637.1	47	1,361.9	13	153.1		4
17	17	**IDS LIFE** Minneapolis[12]	13,150.2	22.1	1,921.9	23	936.9	18	111.8		8
18	18	**MUTUAL BENEFIT LIFE** Newark, N.J.*	11,601.3	9.0	2,824.0	16	1,009.3	17	44.4	11	
19	16	**CONNECTICUT MUTUAL LIFE** Hartford*	11,133.7	2.9	1,610.5	25	815.0	23	53.2	9	
20	21	**ALLSTATE LIFE** Northbrook, Ill.[13]	10,994.1	24.7	3,107.7	14	936.1	19	183.0		3
21	20	**VARIABLE ANNUITY LIFE** Houston[14]	10,857.7	18.6	1,290.9	33	878.1	21	55.8		18
22	19	**STATE FARM LIFE** Bloomington, Ill.	10,839.0	13.0	1,513.8	28	932.3	20	133.7		7
23	22	**NATIONWIDE LIFE** Columbus, Ohio	10,451.7	20.1	1,548.2	27	628.7	27	22.6		23
24	24	**AETNA LIFE & ANNUITY** Hartford[8]	9,731.9	22.5	1,609.7	26	555.7	30	59.8		15
25	23	**NEW YORK LIFE & ANNUITY** Wilmington, Del.	9,567.9	12.6	1,101.8	38	833.5	22	104.9		10
26	26	**EQUITABLE VARIABLE LIFE** New York	8,904.1	13.7	968.5	40	621.1	28	1.5		29
27	25	**PACIFIC MUTUAL LIFE** Newport Beach, Calif.*	8,630.1	10.1	1,312.9	32	665.5	25	28.1	12	
28	28	**CONTINENTAL ASSURANCE** Chicago[15]	8,586.8	17.8	3,465.0	11	240.9	49	68.3		14
29	30	**HARTFORD LIFE** Hartford[16]	8,238.8	32.4	2,199.0	20	456.1	34	22.2		24
30	35	**JACKSON NATIONAL LIFE** Lansing, Mich.	7,828.7	39.2	2,057.5	21	675.4	24	58.4		17
31	29	**TRANSAMERICA LIFE & ANNUITY** Los Angeles[17]	7,700.5	20.9	1,372.2	31	658.0	26	3.9		28
32	31	**PROVIDENT NATIONAL ASSURANCE** Chattanooga	6,922.2	13.9	1,497.8	29	613.1	29	(3.1)		30
33	36	**TRANSAMERICA OCCIDENTAL LIFE** Los Angeles[17]	6,579.8	18.2	1,488.3	30	499.8	32	59.5		16
34	37	**KEYSTONE PROVIDENT LIFE** Providence	6,261.0	21.2	943.0	42	537.8	31	40.9		20
35	34	**PHOENIX MUTUAL LIFE** Hartford*	6,162.6	8.5	1,010.3	39	382.8	44	25.6	13	
36	42	**STATE MUTUAL OF AMERICA** Worcester, Mass.*	5,609.1	15.2	1,619.3	24	439.8	37	50.9	10	
37	40	**GENERAL AMERICAN LIFE** St. Louis*	5,550.8	12.2	1,203.5	35	401.3	41	8.1	17	
38	44	**GUARDIAN OF AMERICA** New York*	5,466.1	18.4	3,182.3	13	399.6	42	72.9	8	
39	39	**PENN MUTUAL LIFE** Philadelphia*	5,310.7	6.5	643.3	45	394.4	43	7.0	18	
40	43	**KEMPER INVESTORS LIFE** Chicago[18]	5,304.3	14.2	677.0	44	438.6	38	37.8		21
41	38	**NORTHWESTERN NATIONAL LIFE** Minneapolis	5,278.7	4.1	1,287.5	34	443.7	36	45.7		19
42	41	**AMERICAN FAMILY LIFE ASSURANCE** Columbus, Ga.	5,204.7	6.1	1,967.7	22	299.5	48	140.3		6
43	•	**MONARCH LIFE INSURANCE** Springfield, Mass.	5,127.0	10.1	232.4	50	87.7	50	12.0		27
44	•	**UNITED PACIFIC LIFE** Federal Way, Wash.[19]	5,040.9	21.6	1,111.4	37	486.0	33	36.4		22
45	45	**MINNESOTA MUTUAL LIFE** St. Paul*	4,954.4	10.9	1,135.1	36	403.9	40	9.4	16	
46	•	**FIRST CAPITAL LIFE INSURANCE** San Diego	4,744.6	16.6	966.9	41	409.9	39	16.9		25
47	46	**UNUM LIFE** Portland, Me.	4,674.7	6.6	641.6	46	370.4	46	15.1		26
48	47	**MUTUAL OF AMERICA LIFE** New York*	4,673.8	8.2	369.4	49	333.9	47	13.4	14	
49	50	**SUN LIFE OF AMERICA** Los Angeles	4,577.0	14.6	920.0	43	448.0	35	89.1		11
50	48	**FRANKLIN LIFE** Springfield, Ill.[20]	4,514.2	6.7	492.0	48	377.5	45	85.4		12
		TOTALS	902,591.8		144,678.9		64,515.3		4,126.7		

DATA FOR ALL COMPANIES ARE CALCULATED ON THE STATUTORY ACCOUNTING BASIS REQUIRED BY STATE INSURANCE REGULATORY AUTHORITIES.

• Not on last year's list
* Indicates a mutual company
N.A. Not available
As of December 31, 1989

[2] Includes premium income from life, accident, and health policies, annuities, and contributions to deposit administration funds
[3] After dividends to policyholders and federal income taxes, excluding realized capital gains and losses. Figures in parentheses indicate a loss.
[4] After dividends to policyholders and federal income taxes, including realized capital gains and losses. Figures in parentheses indicate a loss.
[5] Face value of all life policies, including variable life insurance, as of December 31, 1989
[6] Changes between December 31, 1988, and December 31, 1989

NET INCOME[4]				NET INCOME AS PERCENT OF ASSETS		LIFE INSURANCE IN FORCE[5]		INCREASE IN LIFE INSURANCE IN FORCE[6]				EMPLOYEES[7]		
$ Millions	Mutual Rank	Stock Rank	% change from 1988	%	Rank	$ Millions	Rank	$ Millions	Rank	%	Rank	Number	Rank	
644.2	1		(26.5)	0.5	28	727,424.3	2	35,926.1	2	5.2	28	69,551	1	1
494.0	2		(40.9)	0.5	27	728,269.9	1	86,931.4	1	13.6	6	46,000	2	2
193.4	7		(21.4)	0.4	35	320,472.7	3	1,729.1	31	0.5	35	23,000	5	3
341.3		2	14.5	0.7	20	282,865.6	4	32,274.3	3	12.9	7	17,377	9	4
406.1		1	(2.7)	0.9	12	24,033.4	34	2,495.0	29	11.6	13	3,495	30	5
212.9	5		(16.8)	0.6	26	256,182.1	5	19,234.9	8	8.1	21	19,438	7	6
288.5		4	(12.6)	0.8	15	147,235.4	12	10,930.7	13	8.0	22	12,896	13	7
121.5		10	(56.0)	0.4	34	181,329.9	9	2,748.2	27	1.5	33	38,000	3	8
231.7	4		25.3	0.7	18	198,180.4	8	13,499.1	11	7.3	23	15,655	11	9
371.6	3		214.2	1.3	6	201,130.2	7	22,348.5	5	12.5	11	8,750	17	10
141.9	9		211.4	0.6	25	105,767.0	14	10,345.2	16	10.8	14	10,226	15	11
209.9	6		104.0	0.8	16	99,804.8	15	10,862.8	14	12.2	12	10,985	14	12
154.2	8		2.1	0.9	13	78,275.1	24	3,549.4	25	4.7	29	4,453	23	13
25.5	17		68.5	0.2	47	76,136.1	25	4,201.8	21	5.8	27	6,235	21	14
125.1		8	273.1	0.8	17	145,862.9	13	3,980.8	22	–		4,312	24	15
5.3		29	(97.9)	0.0	49	60,417.4	28	3,879.2	23	6.9	24	799	44	16
117.3		11	26.6	0.9	14	27,084.3	33	2,276.9	30	9.2	19	6,856	20	17
42.6	13		(49.6)	0.4	36	85,550.8	20	13,708.3	9	19.1	3	4,654	22	18
68.0	11		40.0	0.6	23	61,996.3	27	5,031.5	20	8.8	20	24,240	4	19
198.6		5	–	1.8	5	82,654.0	22	(10,177.3)	50	–		2,393	35	20
52.2		16	–	0.5	29	2.3	49	(0.1)	40	–		1,641	37	21
140.6		7	1.9	1.3	7	156,340.2	10	19,255.7	7	14.0	5	19,505	6	22
26.4		21	74.8	0.3	43	23,656.1	37	1,275.7	32	5.9	26	7,745	19	23
62.5		15	–	0.6	21	34,023.6	30	3,838.0	24	12.7	9	3,229	33	24
123.9		9	77.9	1.3	8	42,339.5	29	(659.7)	44	–		19,438	8	25
32.2		18	(54.1)	0.4	37	94,739.1	16	10,570.9	15	12.6	10	N.A.		26
27.7	15		(13.6)	0.3	40	22,726.5	38	(2,899.4)	48	–		3,471	31	27
29.5		19	(55.9)	0.3	39	85,113.9	21	7,442.9	19	9.6	17	16,700	10	28
20.2		23	(26.9)	0.2	45	23,963.0	35	2,704.1	28	12.7	8	978	42	29
87.8		13	30.8	1.1	10	89,643.4	18	25,484.1	4	39.7	1	1,171	38	30
5.5		28	27.0	0.1	48	248.9	47	(30.1)	41	–		1,030	39	31
(7.0)		30	(132.5)	(0.1)	50	0.0		0.0		–		57	48	32
84.3		14	81.0	1.3	9	231,778.1	6	12,853.6	12	5.9	25	3,824	28	33
25.8		22	(44.1)	0.4	33	2,773.1	44	118.9	38	4.5	30	225	47	34
27.6	16		1.7	0.4	30	71,398.1	26	1,011.4	34	1.4	34	2,853	34	35
57.5	12		26.1	1.0	11	30,259.3	31	(1,716.7)	47	–		3,903	27	36
13.0	19		(7.2)	0.2	46	148,893.7	11	22,177.4	6	17.5	4	7,840	18	37
131.8	10		139.5	2.4	3	92,001.3	17	7,943.0	18	9.4	18	3,420	32	38
22.5	18		156.3	0.4	32	23,856.5	36	1,181.6	33	–		1,784	36	39
32.6		17	1.8	0.6	22	1,863.6	45	37.1	39	2.0	31	400	45	40
19.1		25	(37.6)	0.4	38	81,962.1	23	13,580.0	10	20.0	2	9,564	16	41
143.0		6	32.7	2.7	2	6,977.8	41	623.6	36	9.8	16	15,000	12	42
15.1		26	17.7	0.3	41	12,340.5	40	675.6	35	–		930	43	43
14.3		27	83.0	0.3	42	1,388.7	46	(577.8)	43	–		352	46	44
12.4	20		570.2	0.3	44	88,242.9	19	8,585.9	17	10.8	15	3,542	29	45
27.4		20	(8.7)	0.6	24	21,643.7	39	3,510.3	26	–		1,014	40	46
20.1		24	(27.0)	0.4	31	2,841.8	43	(114.9)	42	–		4,175	25	47
32.2	14		–	0.7	19	11.0	48	(1,380.4)	46	–		995	41	48
89.2		12	312.8	1.9	4	3,530.5	42	(1,000.3)	45	–		N.A.		49
333.4		3	294.8	7.4	1	27,381.4	32	521.5	37	1.9	32	3,927	26	50
6,096.6						5,312,613.3		410,788.1				468,028		

[1] Includes home office, field force, and full-time agents.
[2] Wholly owned by Aetna Life & Casualty (F-4).
[3] Wholly owned by Cigna (F-6).
[4] Wholly owned by Lincoln National (F-18).
[5] Figures include Lincoln National Pension (No. 27 on 1988 Life Insurance list), acquired January 1, 1989.
[6] Wholly owned by American Express (F-1).
[7] Wholly owned by Sears Roebuck (R-1).
[8] Wholly owned by American General (F-15).
[9] Wholly owned by CNA Financial, which is 83% owned by Loews (F-14).
[10] Wholly owned by ITT (F-10).
[11] Wholly owned by Transamerica (F-16).
[12] Wholly owned by Kemper (F-25).
[13] Wholly owned by Reliance Group Holdings (F-29).
[14] Wholly owned by American Brands (No. 64 on the FORTUNE 500 Industrial list).

THE 50 LARGEST RETAILING COMPANIES

RANK BY SALES 1989	1988		SALES[1] $ Millions	% change from 1988	PROFITS $ Millions	Rank	% change from 1988	ASSETS $ Millions	Rank	STOCKHOLDERS EQUITY $ Millions	Rank
1	1	**SEARS ROEBUCK** Chicago[2]	53,912.9	7.3	1,508.5	1	3.8	86,971.6	1	13,622.1	1
2	2	**K MART** Troy, Mich.	29,557.0	8.3	323.0	11	(59.8)	13,145.0	2	4,972.0	2
3	3	**WAL-MART STORES** Bentonville, Ark.	25,921.8	25.5	1,075.9	2	28.5	8,198.5	5	3,965.6	4
4	5	**AMERICAN STORES** Irvine, Calif.	22,004.2	19.1	118.1	21	20.2	7,398.0	7	1,201.8	13
5	4	**KROGER** Cincinnati[2]	19,087.8	0.2	(72.7)‡	43	(310.7)	4,242.0	12	(2,965.5)	49
6	6	**J.C. PENNEY** Dallas	16,405.0	10.6	802.0	3	(0.6)	12,698.0	3	4,353.0	3
7	7	**SAFEWAY STORES** Oakland[2]	14,324.6	5.2	2.5	36	(92.0)	4,538.0	11	(388.9)	46
8	8	**DAYTON HUDSON** Minneapolis	13,644.7	11.8	410.5	6	43.0	6,683.7	8	1,752.7	9
9	9	**MAY DEPARTMENT STORES** St. Louis	12,043.0	1.0	498.0	5	(6.7)	7,802.0	6	2,319.0	6
10	10	**GREAT ATLANTIC & PACIFIC TEA** Montvale, N.J.[3]	10,072.7	5.7	127.6	20	23.3	2,640.4	19	970.8	16
11	11	**WINN-DIXIE STORES** Jacksonville, Fla.[4]	9,151.1	1.6	134.5	17	15.3	1,575.1	33	783.2	20
12	12	**WOOLWORTH** New York	8,820.0	9.1	329.0	9	14.2	3,907.0	13	2,076.0	7
13	13	**SOUTHLAND** Dallas[2]	8,421.3	5.9	(1,306.9)	48	—	3,438.8	15	(1,715.8)	48
14	15	**MELVILLE** Harrison, N.Y.[2]	7,554.0	11.4	398.1	7	12.3	3,031.8	17	1,618.3	11
15	16	**ALBERTSON'S** Boise, Idaho	7,422.7	9.6	196.6	13	20.9	1,862.7	27	929.5	17
16	17	**R.H. MACY** New York[5]	6,974.1	21.7	(53.7)‡	40	—	6,560.7	10	(325.7)	45
17	•	**SUPERMARKETS GENERAL HOLD.** Woodbridge, N.J.	6,298.7	5.6	(76.5)	44	—	2,556.5	21	(117.0)	41
18	18	**MCDONALD'S** Oak Brook, Ill.[2]	6,142.0	10.3	727.0	4	12.6	9,175.0	4	3,550.0	5
19	20	**WALGREEN** Deerfield, Ill.[6]	5,395.5	10.5	154.2	14	19.5	1,681.1	30	823.4	19
20	21	**PUBLIX SUPER MARKETS** Lakeland, Fla.[7]	5,386.2	12.1	128.5	19	25.4	1,307.2	37	837.3	18
21	27	**VONS COS.** El Monte, Calif.[2]	5,222.2	33.3	(25.1)	39	—	1,654.6	32	190.0	37
22	24	**PRICE** San Diego[6]	5,033.4	21.6	117.0	22	23.5	1,116.8	42	535.1	26
23	23	**FEDERATED DEPARTMENT STORES** Cincinnati	4,867.2	7.2	(1,503.9)	49	(1,046.4)	6,572.2	9	(307.0)	43
24	26	**TOYS "R" US** Paramus, N.J.	4,787.8	19.7	321.1	12	19.8	3,074.7	16	1,705.3	10
25	28	**FOOD LION** Salisbury, N.C.[2]	4,717.1	23.6	139.8	16	24.2	1,281.7	38	538.5	25
26	25	**THE LIMITED** Columbus, Ohio	4,647.9	14.2	346.9	8	41.5	2,410.5	23	1,240.5	12
27	22	**STOP & SHOP COS.** Braintree, Mass.[7]	4,639.1	(0.7)	(23.2)	38	—	1,885.8	26	93.0	38
28	31	**AMES DEPARTMENT STORES** Rocky Hill, Conn.[3]	4,624.0[8]	37.5	N.A.		—	N.A.		N.A.	
29	29	**TANDY** Fort Worth[4]	4,180.7	10.2	323.5	10	2.3	2,574.3	20	1,782.8	8
30	36	**CIRCLE K** Phoenix[9]	3,493.1	33.6	15.4	34	(74.5)	2,044.9	24	330.4	30
31	30	**TW SERVICES** Paramus, N.J.[2]	3,485.0	(2.5)	(57.3)	42	(206.6)	3,632.2	14	207.0	36
32	32	**SERVICE MERCHANDISE** Nashville[2]	3,307.1	6.9	72.0	28	(5.9)	1,663.9	31	(42.0)	40
33	37	**DILLARD DEPARTMENT STORES** Little Rock, Ark.	3,049.1	19.2	148.1	15	30.1	2,496.3	22	1,094.7	14
34	47	**COSTCO WHOLESALE** Kirkland, Wash.[6]	2,999.7	47.8	27.0	33	86.9	623.6	48	242.6	34
35	34	**GIANT FOOD** Landover, Md.[3]	2,987.2	9.8	98.0	25	29.6	982.5	43	427.7	28
36	39	**RITE AID** Shiremanstown, Pa.[3]	2,868.3	15.4	95.2	26	(34.1)	1,417.5	36	636.2	23
37	35	**CARTER HAWLEY HALE STORES** Los Angeles[3]	2,787.4	6.5	13.5‡	35	(23.7)	1,988.4	25	(211.6)	42
38	48	**HOME DEPOT** Atlanta	2,771.9	38.6	112.0	24	45.9	1,117.5	41	512.1	27
39	•	**GRAND UNION** Wayne, N.J.[10]	2,716.9	(5.4)	43.4	32	96.0	713.2	46	275.0	32
40	33	**ALLIED STORES** Cincinnati	2,706.3	(9.1)	(925.2)	47	(1,900.1)	3,020.0	18	(820.1)	47
41	40	**REVCO D.S.** Twinsburg, Ohio[11]	2,700.5	12.1	(133.4)	46	—	1,844.8	28	(314.3)	44
42	42	**NORDSTROM** Seattle	2,671.1	14.7	114.9	23	(6.8)	1,707.4	29	733.3	21
43	38	**LOWE'S COS.** North Wilkesboro, N.C.	2,650.5	5.3	74.9	27	8.3	1,147.4	40	645.6	22
44	41	**UNITED STATES SHOE** Cincinnati	2,557.2	9.1	49.2	31	279.4	1,164.2	39	548.6	24
45	44	**MERCANTILE STORES** Wilmington, Del.	2,312.8	2.1	130.3	18	(9.8)	1,548.4	34	1,077.3	15
46	46	**FRED MEYER** Portland, Oreg.	2,284.5	10.2	(6.8)	37	(118.7)	797.1	45	251.5	33
47	•	**TJX COS.** Framingham, Mass.	2,160.6	12.5	(78.3)	45	—	949.1	44	228.5	35
48	49	**BRUNO'S** Birmingham, Ala.[4]	2,134.1	7.7	50.2	30	23.3	660.7	47	290.7	31
49	50	**LONGS DRUG STORES** Walnut Creek, Calif.	2,110.6	9.6	61.3	29	9.7	566.7	49	335.4	29
50	45	**BEST PRODUCTS** Richmond	2,094.6	0.3	(53.8)	41	—	1,438.2	35	71.2	39
		TOTALS	388,107.3		4,970.8			241,515.5		50,559.7	

N.A. Not available
• Not on last year's list
** Reflects an extraordinary credit of at least 10%; see the explanations of "profits" and "earnings per share" on page 332

† Average for the year; see the reference to "employees" on page 332.
‡ Reflects an extraordinary charge of at least 10%; see the explanations of "profits" and "earnings per share" on page 332.
§ Dividends paid on mandatory redeemable preferred stock subtracted from profits.

[1] Net sales include operating revenues and nonretailing activities and revenues from discontinued operations when they are published. All figures are for fiscal year ended January 31, 1990, unless otherwise noted. Sales of subsidiaries are included when

MARKET VALUE 4/20/90		NET PROFITS AS PERCENT OF						EARNINGS PER SHARE				TOTAL RETURN TO INVESTORS				EMPLOYEES		
		REVENUES		ASSETS		STOCKHOLDERS' EQUITY			% change from	1979-89 annual growth rate			1979-89 annual average					
$ Millions	Rank	%	Rank	%	Rank	%	Rank	1989/$	1988	%	Rank	1989 %	Rank	%	Rank	Number	Rank	
12,764.8	2	2.8	21	1.7	32	11.1	29	4.30	12.0	5.4	24	(2.3)	33	13.9	32	500,000	1	1
6,789.5	7	1.1	31	2.5	31	6.5	32	1.61	(59.8)	(1.6)	27	3.8	30	12.6	33	365,000	2	2
27,811.4	1	4.2	10	13.1	3	27.1	2	1.90	28.4	36.6	2	43.8	14	46.1	2	271,000	3	3
2,163.4	20	0.5	33	1.6	33	9.8	30	3.45	35.8	9.0	22	(0.7)	31	22.6	22	170,400	6	4
1,000.0	29	(0.4)	38	(1.7)	42	–		(0.92)‡	(483.3)	–		66.2	5	30.8	10	170,000	7	5
7,845.0	4	4.9	7	6.3	23	18.4	14	6.31	4.8	13.6	14	49.1	9	24.3	18	198,000	4	6
N.A.		0.0	36	0.1	36	–		N.A.	–	–		–		–		110,000	11	7
4,748.6	10	3.0	16	6.1	24	23.4	5	5.37	55.7	10.2	19	63.8	6	22.9	21	140,000	8	8
6,218.9	8	4.1	11	6.4	22	21.5	9	3.52	(3.0)	10.4	18	36.4	17	24.8	17	115,000	10	9
2,105.8	21	1.3	30	4.8	27	13.1	25	3.34	23.2	–		33.4	18	22.0	23	92,000	15	10
2,355.9	19	1.5	29	8.5	14	17.2	18	3.36	17.1	5.3	25	53.7	8	20.7	25	94,000	14	11
3,910.4	12	3.7	13	8.4	15	15.8	19	5.11	14.3	5.4	23	27.3	22	23.7	19	132,000	9	12
N.A.		(15.5)	47	(38.0)	49	–		N.A.	–	–		–		–		48,114	24	13
4,826.5	9	5.3	6	13.1	2	24.6§	4	3.56	9.2	13.4	15	23.5	24	24.8	16	100,541	13	14
3,749.8	13	2.6	22	10.6	7	21.1	10	2.93	20.1	16.8	9	48.8	10	30.9	9	55,000	20	15
N.A.		(0.8)	41	(0.8)	37	–		N.A.	–	–		–		–		78,000	16	16
N.A.		(1.2)	42	(3.0)	43	–		N.A.	–	–		–		–		51,000	22	17
11,403.0	3	11.8	1	7.9	17	20.5	11	1.95	13.7	15.5	12	45.3	12	24.9	15	176,000†	5	18
2,591.3	16	2.9	19	9.2	13	18.7	13	2.50	19.0	16.0	11	57.2	7	30.5	12	46,547	25	19
N.A.		2.4	23	9.8	12	15.3	22	2.56	24.9	–		N.A.		–		61,000	18	20
803.6	32	(0.5)	39	(1.5)	40	(13.2)	35	(0.65)	–	–		69.6	3	30.4	13	35,000†	31	21
1,798.2	22	2.3	25	10.5	8	21.9	7	2.30	19.2	–		27.7	21	–		12,545	49	22
N.A.		(30.9)	48	(22.9)	47	–		N.A.	–	–		–		–		60,300	19	23
7,760.6	5	6.7	4	10.4	9	18.8	12	1.64	20.6	26.2	4	44.9	13	35.9	6	38,039	28	24
4,146.5	11	3.0	17	10.9	5	26.0	3	0.43	22.9	17.5	8	17.1	26	30.7	11	40,736	27	25
7,293.5	6	7.5	3	14.3	1	28.0	1	1.92	41.2	52.5	1	29.7	19	53.1	1	63,000	17	26
N.A.		(0.5)	40	(1.2)	39	(25.0)	36	(1.09)	–	–		N.A.		–		42,000	26	27
75.1	37	–		–		–		N.A.	–	–		(25.4)	37	21.1	24	55,000	21	28
2,471.3	17	7.7	2	12.6	4	18.1	16	3.64	2.8	16.3	10	(3.3)	34	18.2	28	38,000	29	29
70.2	38	0.4	35	0.8	34	3.1§	33	0.21	(81.7)	(5.4)	28	(70.0)	38	7.9	34	27,264	36	30
N.A.		(1.6)	43	(1.6)	41	(27.7)	37	N.A.	–	–		–		–		108,000	12	31
340.7	35	2.2	26	4.3	29	–		1.39	(7.9)	10.5	17	42.5	16	15.2	31	20,184	43	32
2,626.5	15	4.9	8	5.9	26	13.5	24	4.36	23.5	27.1	3	68.1	4	45.7	3	26,304†	38	33
1,267.7	27	0.9	32	4.3	28	11.1	28	0.97	70.2	–		122.0	1	–		9,500	50	34
1,650.7	23	3.3	15	10.0	11	22.9	6	1.63	29.9	19.1	6	19.5	25	38.8	4	24,500	39	35
1,338.2	24	3.3	14	6.7	20	15.0	23	2.30	(34.3)	13.7	13	4.7	29	20.3	26	29,934	34	36
172.8	36	0.5	34	0.7	35	–		0.62‡	(13.9)	(13.6)	29	(1.5)	32	20.2	27	37,000	30	37
3,532.1	14	4.0	12	10.0	10	21.9	8	1.42	42.0	–		74.3	2	–		17,500	46	38
N.A.		1.6	28	6.1	25	15.8	20	N.A.	–	–		–		–		23,000	40	39
N.A.		(34.2)	49	(30.6)	48	–		N.A.	–	–		–		–		31,500	33	40
N.A.		(4.9)	46	(7.2)	45	–		(32.30)	–	–		N.A.		–		26,600	37	41
2,366.0	18	4.3	9	6.7	19	15.7	21	1.41	(6.6)	18.9	7	24.1	23	31.7	8	28,000†	35	42
1,280.6	26	2.8	20	6.5	21	11.6	27	2.01	9.8	10.1	20	43.1	15	17.4	29	15,271	47	43
920.1	31	1.9	27	4.2	30	9.0	31	1.10	279.3	4.7	26	(16.9)	36	24.9	14	48,692	23	44
1,317.2	25	5.6	5	8.4	16	12.1	26	3.54	(9.7)	11.8	16	(6.6)	35	23.3	20	22,000†	42	45
359.6	34	(0.3)	37	(0.9)	38	(2.7)	34	(0.28)	(118.7)	–		14.7	27	–		22,000	41	46
985.5	30	(3.6)	45	(8.2)	46	(34.3)	38	(1.10)	–	–		11.1	28	35.2	7	32,000	32	47
1,121.8	28	2.4	24	7.6	18	17.3	17	0.62	24.0	20.2	5	45.4	11	37.3	5	18,149	44	48
749.9	33	2.9	18	10.8	6	18.3	15	3.01	9.5	9.1	21	28.7	20	15.3	30	14,200	48	49
N.A.		(2.6)	44	(3.7)	44	(75.5)	39	N.A.	–	–		–		–		18,000	45	50
144,732.6																3,957,820		

they are consolidated. All companies on the list must have derived more than 50% of their revenues from retail operations.
[2] Figures are for fiscal year ended December 31, 1989.
[3] Figures are for fiscal year ended February 28, 1989.
[4] Figures are for fiscal year ended June 30, 1989.
[5] Figures are for fiscal year ended July 31, 1989.
[6] Figures are for fiscal year ended August 31, 1989.
[7] Name changed from SSC Holdings.
[8] FORTUNE estimate.
[9] Figures are for fiscal year ended April 30, 1989.
[10] Figures are for fiscal year ended March 31, 1989.
[11] Figures are for fiscal year ended May 31, 1989.

THE 50 LARGEST TRANSPORTATION COMPANIES

RANK BY REVENUES 1989	1988		REVENUES[1] $ Millions	% change from 1988	PROFITS $ Millions	Rank	% change from 1988	ASSETS $ Millions	Rank	STOCKHOLDERS EQUITY $ Millions	Rank
1	1	**UNITED PARCEL SERVICE** Greenwich, Conn.	12,380.7	12.2	693.4	1	(8.6)	7,888.1	5	3,588.7	5
2	3	**AMR** Fort Worth	10,589.5	20.0	454.8	5	(4.6)	10,877.4	3	3,765.8	4
3	2	**UAL** Elk Grove, Ill.	9,914.5	10.0	324.2	10	(71.2)	7,206.7	8	1,564.3	10
4	6	**DELTA AIR LINES** Atlanta[2]	8,089.5	17.0	460.9	4	50.2	6,484.0	10	2,619.7	7
5	4	**CSX** Richmond	7,821.0	(9.8)	452.0	6	207.5	12,298.0	2	3,397.0	6
6	5	**TEXAS AIR** Houston	6,768.7	(21.0)	(885.6)	49	—	7,656.1	6	(1,105.7)	49
7	7	**UNION PACIFIC** Bethlehem, Pa.	6,590.0	(3.0)	595.0	3	(7.6)	12,459.0	1	3,911.0	3
8	9	**NWA** Eagan, Minn.	6,553.8	16.0	355.2	8	163.0	5,337.4	13	2,453.3	8
9	8	**USAIR GROUP** Arlington, Va.	6,257.3	9.6	(63.2)	46	(138.3)	6,069.0	12	1,892.7	9
10	15	**FEDERAL EXPRESS** Memphis[3,4]	5,183.3	33.5	184.6	14	(1.7)	5,293.4	14	1,493.5	11
11	12	**NORFOLK SOUTHERN** Norfolk, Va.	4,675.2	4.8	606.2	2	(4.5)	10,244.3	4	5,168.6	1
12	11	**BURLINGTON NORTHERN** Fort Worth	4,614.9	(1.8)	243.0	11	56.0	6,147.8	11	1,080.2	13
13	13	**TRANS WORLD AIRLINES** Mt. Kisco, N.Y.	4,507.3	3.4	(298.5)	47	(219.5)	3,820.9	16	(344.7)	47
14	14	**PAN AM** New York	3,794.4	(8.9)	(336.6)	48	—	2,440.8	18	(629.7)	48
15	17	**CONSOLIDATED FREIGHTWAYS** Menlo Park, Calif.[5]	3,765.6	40.0	12.0	31	(89.4)	2,391.8	19	630.1	18
16	16	**CONSOLIDATED RAIL** Philadelphia	3,473.0	(0.5)	148.0	16	(51.6)	7,471.0	7	4,044.0	2
17	10	**SANTA FE PACIFIC** Chicago[6]	3,049.8	(38.2)	14.6	28	—	6,609.2	9	851.6	15
18	19	**ROADWAY SERVICES** Akron	2,672.9	22.4	95.5	18	19.0	1,273.1	26	718.3	16
19	18	**SOUTHERN PACIFIC TRANS.** San Francisco	2,382.5	(1.2)	97.9	17	(55.4)	4,731.5	15	1,389.8	12
20	20	**AMERICAN PRESIDENT COS.** Oakland	2,247.2	5.4	11.3	32	(86.1)	1,661.3	21	594.3	20
21	21	**YELLOW FREIGHT SYSTEM** Overland Park, Kans.	2,221.1	10.1	47.8	22	(30.7)	1,081.7	29	438.6	24
22	•	**PITTSTON** Greenwich, Conn.[7]	1,634.6	3.5	3.8	35	(92.2)	984.2	30	424.1	25
23	•	**BP PIPELINES (ALASKA)** Cleveland[8]	1,041.4	(11.4)	342.5	9	(29.1)	3,351.1	17	858.4	14
24	•	**GREYHOUND LINES** Dallas	1,040.1	12.6	0.7	37	—	592.8	36	29.6	42
25	25	**SOUTHWEST AIRLINES** Dallas	1,031.7	22.6	71.6	19	23.5	1,415.1	25	587.3	21
26	28	**AMERICA WEST AIRLINES** Phoenix	1,004.2	29.5	20.0**	26	113.8	835.9	35	87.2	36
27	24	**CHICAGO & NORTH WESTERN HOLDINGS** Chicago[9]	967.2	(2.8)	(20.8)	42	(125.7)	1,937.5	20	80.5	38
28	29	**AIRBORNE FREIGHT** Seattle	949.9	23.7	19.1	27	171.2	470.6	39	168.1	31
29	26	**ALASKA AIR GROUP** Seattle	929.2	14.1	42.9	23	14.6	874.1	34	341.9	26
30	30	**ALEXANDER & BALDWIN** Honolulu	846.3	20.6	202.7	12	32.1	1,139.4	28	605.1	19
31	31	**UNIGROUP** Fenton, Mo.	750.1	7.5	9.6	34	52.8	219.2	48	54.2	39
32	27	**ARKANSAS BEST** Fort Smith	716.4	(10.2)	(12.7)	40	—	477.7	38	18.6	43
33	•	**EXXON PIPELINE** Houston	703.2	(8.0)	355.5	7	16.7	1,640.5	22	509.8	23
34	33	**MAYFLOWER GROUP** Carmel, Ind.	677.3	10.7	(1.8)**	39	—	353.2	44	9.9	45
35	32	**CAROLINA FREIGHT** Cherryville, N.C.	671.5	3.3	1.2	36	(88.3)	347.3	45	130.9	33
36	34	**PRESTON** Preston, Md.	619.0	4.3	(0.8)	38	(111.6)	337.4	46	110.1	34
37	•	**ARCO PIPE LINE** Independence, Kans.	596.4	(2.9)	198.4	13	(8.8)	1,637.5	23	575.7	22
38	35	**SOO LINE** Minneapolis	551.0	(3.4)	(26.0)	44	(266.9)	887.2	33	242.8	29
39	36	**ILLINOIS CENTRAL RAILROAD** Chicago	547.0	(1.7)	9.7	33	(78.9)	1,164.9	27	82.2	37
40	•	**COLONIAL PIPELINE** Atlanta	509.6	1.8	155.5	15	(1.0)	897.0	32	48.2	41
41	41	**J.B. HUNT TRANSPORT** Lowell, Ark.	509.3	29.7	30.6	24	(7.4)	384.7	42	175.5	30
42	39	**KANSAS CITY SOUTHERN IND.** Kansas City, Mo.	506.1	(0.3)	47.9	21	—	964.9	31	339.1	27
43	40	**MIDWAY AIRLINES** Chicago	493.5	19.8	(20.7)	41	(416.9)	468.5	40	54.2	40
44	47	**BRANIFF** Orlando, Fla.[10]	484.6	62.9	(24.6)	43	—	237.5	47	10.7	44
45	43	**GRAND TRUNK** Detroit	393.3	1.2	13.8	29	68.5	561.6	37	292.2	28
46	44	**HAL** Honolulu	350.4	(1.0)	(46.9)	45	—	216.2	49	6.6	46
47	46	**OVERSEAS SHIPHOLDING GROUP** New York	333.2	8.4	52.0	20	12.0	1,540.6	24	700.8	17
48	45	**TRANSCON** Orange, Calif.	298.2[11]	(7.4)	N.A.		—	N.A.		N.A.	
49	•	**INTERNATIONAL SHIPHOLDING** New Orleans	270.7	58.9	12.6	30	(39.7)	422.3	41	99.6	35
50	50	**MIDLAND ENTERPRISES** Cincinnati	240.3	8.0	22.7	25	45.2	381.9	43	137.4	32
		TOTALS	137,218.1		4,670.9			154,183.3		44,302.1	

N.A. Not available.
• Not on last year's list.
** Reflects an extraordinary credit of at least 10%; see the explanations of "profits" and "earnings per share" on page 332.

† Average for the year; see the reference to "employees" on page 332.
§ Dividends paid on mandatory redeemable preferred stock subtracted from profits.
[1] Consolidated operating revenues include those from nontransportation activities, other income, and sales from discontinued operations when they are published. All figures are for the fiscal year ended December 31, 1989, unless otherwise noted. All companies must derive more than 50% of their operating revenues from common carrier operations and file public financial statements.
[2] Figures are for fiscal year ended June 30, 1989.

MARKET VALUE 4/20/90		NET PROFITS AS PERCENT OF						EARNINGS PER SHARE				TOTAL RETURN TO INVESTORS				EMPLOYEES		
		REVENUES		ASSETS		STOCKHOLDERS' EQUITY			% change from	1979-89 annual growth rate				1979-89 annual average				
$ Millions	Rank	%	Rank	%	Rank	%	Rank	1989/$	1988	%	Rank	1989 %	Rank	%	Rank	Number	Rank	
N.A.		5.6	15	8.8	6	19.3	9	4.28	(8.7)	25.0	1	—		—		237,700†	1	1
3,970.6	3	4.3	20	4.2	20	12.1	22	7.16	(9.6)	10.5	7	8.2	18	19.2	9	77,000	2	2
3,363.0	5	3.3	26	4.5	17	20.7	8	14.96	(60.5)	—		56.4	2	23.5	3	72,300	3	3
3,556.0	4	5.7	14	7.1	9	17.6	11	9.37	48.7	10.5	6	39.6	7	16.0	16	58,784	4	4
3,214.1	7	5.8	13	3.7	23	13.3	17	4.34	366.7	6.6	9	17.3	15	22.9	5	53,097†	7	5
301.5	25	(13.1)	48	(11.6)	47	—		(22.71)	—	—		(3.2)	24	2.8	25	53,055	8	6
6,816.7	1	9.0	10	4.8	16	15.2	14	5.62	(0.5)	3.4	13	23.1	10	11.6	20	48,126†	9	7
N.A.		5.4	16	6.7	10	14.5	15	N.A.	—	—		—		—		39,323	11	8
1,236.3	13	(1.0)	40	(1.0)	40	(4.0)§	39	(1.73)	(145.4)	—		(3.0)	23	17.8	11	53,700	6	9
2,959.9	8	3.6	24	3.5	24	12.4	20	3.53	(0.8)	19.0	3	(9.6)	25	14.65	19	58,000	5	10
6,364.6	2	13.0	7	5.9	12	11.7	24	3.48	(0.9)	5.1	12	33.9	9	21.9	6	33,274†	13	11
2,582.1	9	5.3	17	4.0	22	22.4§	7	3.19	56.4	(0.3)	15	47.0	4	26.5	2	32,900	14	12
N.A.		(6.6)	46	(7.8)	45	—		N.A.	—	—		—		—		32,895	15	13
407.5	22	(8.9)	47	(13.8)	48	—		(2.31)	—	—		16.7	16	(7.9)	27	28,750	18	14
616.6	17	0.3	34	0.5	33	1.9	33	0.33	(89.0)	(15.1)	17	(16.9)	30	16.8	14	40,800	10	15
1,921.4	10	4.3	21	2.0	30	3.7	31	2.17	(51.1)	—		46.5	5	—		31,574†	16	16
3,331.6	6	0.5	33	0.2	36	1.7	34	0.09	—	(27.5)	20	7.8	19	16.9	13	20,138	20	17
1,497.3	11	3.6	23	7.5	8	13.3	18	2.44	22.0	5.5	11	41.9	6	16.0	17	34,500	12	18
N.A.		4.1	22	2.1	29	7.0	29	N.A.	—	—		—		—		22,335	19	19
487.3	20	0.5	32	0.7	32	(0.1)§	37	(0.04)	(101.2)	—		(15.8)	29	—		4,994	33	20
773.7	15	2.2	27	4.4	18	10.9	27	1.66	(30.8)	8.6	8	(13.2)	28	17.6	12	29,400†	17	21
593.5	18	0.2	35	0.4	34	0.9	35	0.10	(92.1)	(24.5)	19	23.1	11	0.0	26	14,500	21	22
N.A.		32.9	3	10.2	5	39.9	3	N.A.	—	—		—		—		N.A.		23
N.A.		0.1	37	0.1	37	2.5	32	N.A.	—	—		—		—		12,700	22	24
685.4	16	6.9	11	5.1	13	12.2	21	2.37	28.8	11.6	5	19.2	14	18.1	10	7,760	28	25
170.2	26	2.0	29	2.4	28	23.0	6	1.00**	96.1	—		55.8	3	—		10,722	23	26
N.A.		(2.1)	42	(1.1)	41	(25.8)	42	N.A.	—	—		—		—		7,562	30	27
379.9	23	2.0	28	4.1	21	11.4	25	2.67	164.4	2.1	14	66.0	1	6.7	22	9,900	25	28
356.1	24	4.6	19	4.9	15	12.6	19	2.71	14.3	14.7	4	3.9	20	20.5	8	7,620	29	29
1,395.4	12	24.0	5	17.8	2	33.5	5	4.38	43.1	21.1	2	21.7	12	29.4	1	3,123	39	30
N.A.		1.3	31	4.4	19	17.8	10	N.A.	—	—		—		—		900	44	31
N.A.		(1.8)	41	(2.7)	42	(68.4)	44	N.A.	—	—		—		—		9,541	26	32
N.A.		50.6	1	21.7	1	69.7	2	N.A.	—	—		—		—		580	48	33
N.A.		(0.3)	39	(0.5)	39	(18.2)	41	(0.07)**	—	—		—		—		2,200	41	34
121.9	28	0.2	36	0.3	35	0.9	36	0.16	(89.3)	(15.9)	18	(21.8)	31	21.1	7	10,248	24	35
60.5	30	(0.1)	38	(0.3)	38	(0.8)	38	(0.15)	(111.8)	—		(30.4)	33	5.7	23	9,201	27	36
N.A.		33.3	2	12.1	4	34.5	4	N.A.	—	—		—		—		725	45	37
N.A.		(4.7)	44	(2.9)	43	(10.7)	40	(2.74)	(267.1)	—		2.4	21	5.3	24	4,564†	35	38
N.A.		1.8	30	0.8	31	11.8	23	N.A.	—	—		—		—		3,124	38	39
N.A.		30.5	4	17.3	3	322.6	1	N.A.	—	—		—		—		664	47	40
514.1	19	6.0	12	8.0	7	17.4	12	1.30	(7.1)	—		(12.2)	27	—		7,380	31	41
416.4	21	9.5	8	5.0	14	14.1	16	4.59	—	6.0	10	37.1	8	15.2	18	4,120	36	42
129.2	27	(4.2)	43	(4.4)	44	(40.0)§	43	(2.15)	(458.3)	—		2.0	22	—		5,493	32	43
N.A.		(5.1)	45	(10.4)	46	(230.3)	45	(1.83)	—	—		N.A.		—		4,700	34	44
N.A.		3.5	25	2.5	27	4.7	30	N.A.	—	—		—		—		3,715†	37	45
39.5	31	(13.4)	49	(21.7)	49	(707.7)	46	(24.00)	—	—		(11.3)	26	16.3	15	3,075	40	46
833.0	14	15.6	6	3.4	25	7.4	28	1.46	13.2	(2.2)	16	19.8	13	8.9	21	2,175	42	47
7.9	32	—		—		—		N.A.	—	—		(25.0)	32	(12.7)	28	N.A.		48
102.7	29	4.7	18	3.0	26	11.1§	26	2.24	(50.1)	—		15.4	17	23.1	4	668	46	49
N.A.		9.4	9	5.9	11	16.5	13	N.A.	—	—		—	—	—	—	1,798	43	50
49,205.5																1,211,403		

[1] Figures are for fiscal year ended May 31, 1989.
[4] Figures include Tiger International (No. 22 on 1988 Transportation list), acquired February 1, 1989.
[5] Figures include Emery Air Freight (No. 23 on 1988 Transportation list), acquired April 3, 1989.
[6] Name changed from Santa Fe Southern Pacific.
[7] Company was No. 53 on 1988 Diversified Service list.
[8] Name changed from Sohio Alaska Pipeline.
[9] Name changed from CNW.
[10] Figures are for fiscal year ended January 31, 1989.
[11] FORTUNE estimate.

RANK BY ASSETS 1989	1988		ASSETS[1] $ Millions	% change from 1988	OPERATING REVENUES[2] $ Millions	Rank	% change from 1988	PROFITS $ Millions	Rank	% change from 1988	STOCKHOLDERS' EQUITY $ Millions	Rank
1	1	**GTE** Stamford, Conn.	31,986.5	2.8	17,541.4	1	6.6	1,417.3	2	15.7	8,402.7	5
2	2	**BELLSOUTH** Atlanta	30,049.8	5.5	13,996.3	2	2.9	1,741.1	1	4.5	13,102.6	1
3	4	**BELL ATLANTIC** Philadelphia	26,219.7	6.0	11,448.6	4	5.2	1,074.5‡	7	(18.4)	8,590.6	3
4	3	**NYNEX** New York	25,909.0	2.2	13,210.6	3	4.3	807.6	10	(38.6)	9,369.1	2
5	5	**US WEST** Englewood, Colo.	25,425.9	13.4	9,690.6	6	5.1	1,110.7	5	(1.9)	8,071.3	7
6	7	**PACIFIC GAS & ELECTRIC** San Francisco	21,352.0	1.3	8,719.5	9	14.0	900.6	8	1,350	8,465.6	4
7	6	**PACIFIC TELESIS GROUP** San Francisco	21,194.0	0.0	9,593.0	7	1.2	1,242.0	3	4.5	7,888.0	8
8	8	**SOUTHWESTERN BELL** St. Louis	21,160.5	0.8	8,729.8	8	3.3	1,092.8	6	3.1	8,366.5	6
9	9	**SOUTHERN** Atlanta	20,086.0	1.8	7,520.0	10	3.9	846.0	9	—	6,861.0	11
10	10	**AMERICAN INFORMATION TECH.** Chicago	19,833.0	3.5	10,211.3	5	3.1	1,238.2	4	0.1	7,685.9	9
11	11	**COMMONWEALTH EDISON** Chicago	17,948.1	0.7	5,751.0	13	2.5	693.7	13	(5.9)	7,367.3	10
12	12	**TEXAS UTILITIES** Dallas	17,219.2	7.2	4,320.5	17	4.0	779.1	11	21.2	6,330.3	12
13	15	**SCECORP** Rosemead, Calif.	15,443.1	3.9	7,072.7	11	13.1	778.2	12	2.2	5,288.7	13
14	16	**AMERICAN ELECTRIC POWER** Columbus, Ohio	14,745.8	3.4	5,140.4	15	6.2	628.9	14	0.3	4,394.3	15
15	13	**ENTERGY** New Orleans[3]	14,715.2	(7.7)	3,724.0	19	4.4	(472.6)	48	(215.0)	4,219.5	17
16	19	**PUBLIC SERVICE ENTERPRISE GROUP** Newark, N.J.	12,919.4	10.5	4,804.9	16	9.3	542.1	18	2.6	4,190.7	18
17	17	**PHILADELPHIA ELECTRIC** Philadelphia	12,720.4	7.2	3,405.6	23	5.5	590.4	16	4.3	4,367.2	16
18	18	**FPL GROUP** North Palm Beach, Fla.	12,325.3	4.5	6,179.8	12	5.6	410.4	23	(8.3)	3,452.2	21
19	21	**PACIFICORP** Portland, Oreg.	11,894.6	4.4	3,717.4	20	5.6	465.6	19	4.2	3,006.6	23
20	23	**HOUSTON INDUSTRIES** Houston	11,681.9	14.3	3,789.8	18	3.8	413.5	21	4.6	3,675.5	20
21	20	**CENTERIOR ENERGY** Independence, Ohio	11,666.5	0.8	2,302.4	38	13.0	266.9	33	—	2,794.6	25
22	28	**TELE-COMMUNICATIONS** Denver	11,432.0	33.3	3,026.0	27	32.6	(257.0)	46	(558.9)	908.0	49
23	22	**DOMINION RESOURCES** Richmond	11,033.5	7.3	3,699.9	21	10.6	410.7	22	(6.3)	3,420.7	22
24	25	**CONSOLIDATED EDISON OF NEW YORK** New York	10,349.5	8.4	5,623.5	14	10.1	606.1	15	1.1	4,975.4	14
25	24	**DETROIT EDISON** Detroit	9,949.6	(1.1)	3,203.0	25	3.3	426.0	20	—	2,657.4	27
26	26	**DUKE POWER** Charlotte, N.C.	9,542.4	7.3	3,654.5	22	0.8	571.6	17	3.9	4,084.0	19
27	30	**CMS ENERGY** Dearborn, Mich.	8,614.5	3.7	2,961.1	28	0.6	312.1	28	14.9	1,959.7	34
28	29	**LONG ISLAND LIGHTING** Hicksville, N.Y.	8,520.0	2.3	2,381.2	35	11.4	(95.8)	45	—	1,941.7	35
29	31	**CENTRAL & SOUTH WEST** Dallas	8,347.0	2.9	2,549.0	33	1.5	337.0	27	(5.3)	2,647.0	28
30	32	**OHIO EDISON** Akron	7,722.9	2.2	2,155.0	40	0.6	361.0	25	64.9	2,878.2	24
31	33	**PENNSYLVANIA POWER & LIGHT** Allentown	7,599.0	1.0	2,356.4	36	6.4	353.4	26	6.4	2,370.7	29
32	34	**CAROLINA POWER & LIGHT** Raleigh, N.C.	7,575.4	0.9	2,480.8	34	9.1	376.1	24	91.1	2,658.0	26
33	35	**NIAGARA MOHAWK POWER** Syracuse, N.Y.	7,575.1	7.1	2,906.0	30	3.8	150.8	41	(27.8)	1,914.5	36
34	14	**PINNACLE WEST CAPITAL** Phoenix	7,019.5	(53.4)	1,536.1	46	(26.5)	(551.4)	49	(13,257)	1,414.3	45
35	37	**GULF STATES UTILITIES** Beaumont, Texas	6,726.6	(1.9)	1,607.4	45	5.7	(45.6)‡	44	(144.2)	2,243.8	38
36	39	**GENERAL PUBLIC UTILITIES** Parsippany, N.J.	6,688.3	4.3	2,911.2	29	2.7	282.5	31	(0.5)	2,063.1	33
37	38	**NORTHEAST UTILITIES** West Springfield, Mass.	6,523.2	(3.6)	2,330.5	37	12.1	209.1	36	(10.6)	1,752.4	37
38	•	**PANHANDLE EASTERN** Houston[4]	6,265.6	—	2,781.0	32	—	29.2‡	43	—	1,415.1	44
39	45	**BALTIMORE GAS & ELECTRIC** Baltimore	5,985.7	16.8	2,004.1	43	7.5	276.3	32	(8.9)	2,170.4	32
40	43	**COLUMBIA GAS SYSTEM** Wilmington, Del.	5,878.4	4.2	3,242.1	24	3.6	145.8	42	22.5	1,620.3	40
41	41	**CONTEL** Atlanta	5,846.0	(0.3)	3,120.0	26	5.3	287.0	29	3.9	1,653.0	39
42	42	**UNION ELECTRIC** St. Louis	5,760.3	(1.1)	2,010.3	42	(0.9)	285.6	30	(2.0)	2,182.1	31
43	40	**ILLINOIS POWER** Decatur	5,609.0	(7.3)	1,312.6	49	2.2	(288.4)	47	(252.3)	1,553.8	42
44	•	**OGLETHORPE POWER** Tucker, Ga.	5,288.7	2.1	1,018.0	50	8.5	N.A.[5]		—	194.2	50
45	46	**NEW YORK STATE ELECTRIC & GAS** Binghamton	4,670.3	(0.5)	1,427.7	47	6.5	157.8	40	(8.0)	1,385.7	47
46	•	**POTOMAC ELECTRIC POWER** Washington	4,642.7	—	1,394.9	48	—	214.6	35	—	1,393.7	46
47	49	**FLORIDA PROGRESS** St. Petersburg	4,634.0	7.7	2,129.4	41	6.4	187.1	38	4.1	1,372.3	48
48	50	**CONSOLIDATED NATURAL GAS** Pittsburgh	4,601.2	12.0	2,806.1	31	13.7	181.8	39	(5.8)	1,671.9	38
49	47	**NORTHERN STATES POWER** Minneapolis	4,592.8	2.2	1,989.7	44	(0.8)	229.0	34	3.3	1,486.0	43
50	48	**ALLEGHENY POWER SYSTEM** New York	4,433.3	2.3	2,258.2	39	4.0	194.9	37	(5.0)	1,582.4	41
		TOTALS	599,922.5		233,745.7			21,907.1			195,460.2	

N.A. Not available.
• Not on last year's list.
† Average for the year; see the reference to "employees" on page 332.
‡ Reflects an extraordinary charge of a least 10%; see the explanations of "profit" and "earnings per share" on page 332.
§ Dividends paid on mandatory redeemable preferred stock subtracted from profits.

[1] Assets are shown as of December 31, 1989. Only assets of consolidated subsidiaries are included.
[2] Gross receipts from operations during 1989 include non-utility revenues from manufacturing, transportation, and other activi-

MARKET VALUE 4/20/90		NET PROFITS AS PERCENT OF						EARNINGS PER SHARE				TOTAL RETURN TO INVESTORS				EMPLOYEES		
		REVENUES		ASSETS		STOCKHOLDERS' EQUITY			% change from 1988	1979-89 annual growth rate				1979-89 annual average				
$ Millions	Rank	%	Rank	%	Rank	%	Rank	1989/$		%	Rank	1989 %	Rank	%	Rank	Number	Rank	
20,726.4	2	8.1	37	4.4	18	16.9	2	4.16	16.2	4.0	16	66.0	5	22.9	7	155,000	1	1
25,705.4	1	12.4	15	5.8	5	13.3	18	3.64	3.7	–		52.8	11	–		101,230	2	2
18,832.6	3	9.4	32	4.1	27	12.5	24	5.43‡	(18.3)	–		64.3	6	–		79,100	4	3
15,932.4	7	6.1	40	3.1	39	8.6	40	4.10	(38.2)	–		46.4	16	–		95,400	3	4
13,206.6	8	11.5	20	4.4	20	13.8	13	6.02	(2.4)	–		46.6	15	–		70,587	6	5
9,276.9	9	10.3	30	4.2	24	10.4§	37	1.90	–	0.7	30	35.3	24	18.2	29	26,200	11	6
17,922.8	4	12.9	12	5.9	3	15.7	5	3.02	7.5	–		71.0	2	–		68,452	7	7
16,533.0	5	12.5	14	5.2	6	13.1	19	3.64	3.1	–		66.4	4	–		66,180	8	8
7,970.3	10	11.2	22	4.2	25	12.3	26	2.68	(1.5)	5.9	8	41.0	17	22.0	11	30,530	10	9
16,245.2	6	12.1	17	6.2	1	16.1	3	4.59	0.9	–		49.4	14	–		77,326	5	10
6,699.5	12	12.1	18	3.9	32	8.6§	41	2.83	(6.0)	1.2	29	23.8	42	18.9	27	17,845	17	11
6,188.0	13	18.0	1	4.5	17	12.3	28	4.44	11.0	6.1	5	37.7	19	17.5	31	15,248	20	12
7,892.4	11	11.0	26	5.0	7	14.7	10	3.56	2.0	4.6	13	30.6	30	22.9	6	17,010	18	13
5,781.9	14	12.2	16	4.3	22	14.3	11	3.25	0.3	3.6	20	31.3	28	18.5	28	22,700	12	14
4,091.5	23	(12.7)	47	(3.2)	47	(11.2)	45	(2.31)	(214.9)	–		52.1	12	15.1	34	13,190	23	15
5,330.3	17	11.3	21	4.2	26	12.9	21	2.62	1.9	3.3	23	28.8	35	20.2	22	13,216	22	16
3,497.6	29	17.3	2	4.6	14	13.5§	17	2.36	1.3	2.4	25	27.7	38	19.5	25	11,244	27	17
4,147.8	22	6.6	38	3.3	37	11.9	32	3.12	(8.8)	4.0	17	25.4	41	21.1	17	18,900	16	18
4,891.9	18	12.5	13	3.9	31	14.8§	9	1.81	4.6	3.9	18	40.0	18	20.0	23	15,492	19	19
4,000.9	24	10.9	27	3.5	35	11.2	35	3.32	(0.6)	0.3	31	37.2	22	17.2	32	12,878	25	20
2,509.3	33	11.6	19	2.3	41	9.6	38	1.90	–	(1.4)	33	67.2	3	16.9	33	9,062	32	21
4,590.1	19	(8.5)	46	(2.2)	46	(28.3)	48	(0.73)	(571.0)	–		36.8	23	31.8	1	34,000	9	22
4,340.0	20	11.1	24	3.7	33	12.0	30	4.14	(8.4)	5.4	10	21.3	44	22.8	9	13,343	21	23
5,618.4	15	10.8	28	5.9	4	12.1§	29	2.49	1.0	8.2	3	34.1	26	26.8	2	19,798	14	24
3,653.2	27	13.3	10	4.3	21	15.5§	6	2.65	–	3.4	22	58.7	8	20.5	20	10,254	29	25
5,469.2	16	15.6	4	6.0	2	14.0	12	5.13	4.5	5.9	7	28.9	34	22.3	10	19,628	15	26
2,412.3	34	10.5	29	3.6	34	15.9	4	3.80	14.8	1.6	28	56.4	10	14.4	35	9,646	30	27
2,099.8	41	(4.0)	45	(1.1)	45	(21.0)§	47	(1.57)	–	–		61.0	7	9.3	40	6,239	43	28
3,669.7	26	13.2	11	4.0	29	12.7	23	3.25	(5.2)	3.7	19	35.1	25	21.5	14	8,423	34	29
2,898.8	31	16.8	3	4.7	12	12.4§	25	2.18	78.7	1.9	27	37.5	20	19.4	26	6,905	42	30
3,101.8	30	15.0	7	4.7	13	13.5§	16	4.05	8.6	2.0	26	27.9	37	20.8	19	8,108	36	31
3,749.0	25	15.2	6	5.0	8	13.0§	20	4.20	105.9	3.2	24	33.1	27	21	21	8,100	37	32
1,769.3	45	5.2	41	2.0	42	6.4§	42	0.78	(35.5)	(9.0)	35	16.3	47	12.8	37	11,739	26	33
1,127.4	49	(35.9)	49	(7.9)	49	(39.0)	49	(6.36)	(12,820.0)	–		(22.9)	49	6.9	42	9,000	33	34
1,256.1	48	(2.8)	44	(0.7)	44	(2.0)	44	(1.00)‡	(370.3)	–		50.8	13	9.3	41	4,885	47	35
2,388.0	35	9.7	31	4.2	23	13.7	14	5.01	5.5	12.4	1	30.7	29	19.8	24	13,013	24	36
2,200.5	38	9.0	34	3.2	38	11.9	31	1.92	(10.7)	4.6	12	29.3	32	21.9	13	8,280	35	37
2,351.9	37	1.0	43	0.5	43	2.1	43	0.41‡	–	(20.4)	36	26.3	39	14.0	36	6,078	44	38
2,357.9	36	13.8	9	4.6	16	11.8§	33	3.05	(12.1)	6.0	6	18.4	46	22.0	12	9,103	31	39
2,152.5	40	4.5	42	2.5	40	9.0	39	3.21	30.5	(3.1)	34	58.1	9	12.0	38	10,800	28	40
4,152.8	21	9.2	33	4.9	10	17.4	1	1.80	2.9	5.3	11	75.5	1	24.2	5	21,800	13	41
2,668.0	32	14.2	8	5.0	9	12.9§	22	2.61	2.0	4.2	15	28.0	36	21.0	18	7,136	41	42
1,397.8	46	(22.0)	48	(5.1)	48	(18.6)	46	(4.34)	(361.4)	–		2.1	48	11.9	39	4,242	49	43
N.A.		–		–		–		N.A.	–	–		–		–		540	50	44
1,395.8	47	11.1	25	3.4	36	11.3§	34	2.53	(10.0)	(1.1)	32	37.4	21	18.0	30	4,558	48	45
2,076.8	42	15.4	5	4.6	15	15.0§	7	2.16	0.9	9.6	2	26.2	40	25.2	3	5,500†	46	46
1,907.2	44	8.8	35	4.0	28	13.6	15	3.67	4.3	5.9	9	22.6	43	21.2	16	7,490	39	47
3,621.9	28	6.5	39	4.0	30	10.9	36	2.20	(6.0)	3.4	21	29.9	31	24.3	4	7,357	40	48
2,157.7	39	11.2	23	4.8	11	14.9	8	3.24	4.2	6.3	4	29.3	33	22.8	8	7,580	38	49
1,992.8	43	8.6	36	4.4	19	12.3	27	3.72	(6.1)	4.4	14	21.3	45	21.5	15	5,917	45	50
295,959.3																1,226,252		

ties, other income, and revenues from discontinued operations, when they are published. All companies on the list must derive more than 50% of their revenues from utility operations.

[3] Name changed from Middle South Utilities.

[4] Figures include Texas Eastern (No. 44 on 1988 Utilities list), acquired April 27, 1989.

[5] Cooperatives provide only net margin figures, which are not comparable with the profit figures in this list.

DEFINITIONS AND EXPLANATIONS

ASSETS

Assets are those shown at the company's fiscal year-end.

PROFITS

Profits are shown after taxes and after extraordinary credits or charges if any are shown on the income statement. A double asterisk (**) signifies an extraordinary credit reflecting at least 10% of the profits shown, a double dagger (‡) an extraordinary charge of at least 10%. Figures in parentheses indicate a loss. Profit declines over 100% reflect swings from 1988 profits to 1989 losses. Cooperatives provide only "net margin" figures, which are not comparable with the profits figures in these listings, and therefore N.A. is shown in that column.

STOCKHOLDERS' EQUITY

Stockholders' equity is the sum of capital stock, surplus, and retained earnings at the company's year-end. Redeemable preferred stock is excluded if its redemption is either mandatory or outside the control of the company, except in the case of cooperatives. For purposes of calculating "profits as percent of stockholders' equity" any dividends paid on redeemable preferred stock, if that stock's redemption is either mandatory or outside the control of the company, have been subtracted from profits.

EMPLOYEES

The figure shown is a year-end total except when it is followed by a dagger (†), in which case it is an average.

MARKET VALUE

The figure shown was arrived at by multiplying the number of common shares outstanding (at the latest date available) by the price per common share as of April 20, 1990.

EARNINGS PER SHARE

For all companies the figures shown are the primary earnings per share that appear on the company's income statement. Per share earnings for 1988 and 1979 are adjusted for stock splits and stock dividends. They are not restated for mergers, acquisitions, or accounting changes made after 1979. A double asterisk (**) signifies an extraordinary credit reflecting at least 10% of the profit shown, a double dagger (‡) an extraordinary charge of at least 10%. Results are listed as not available (N.A.) if the companies are cooperatives, joint ventures, or wholly owned subsidiaries of other companies, or if the figures were not published in 1979. The growth rate is the average annual growth, compounded.

TOTAL RETURN TO INVESTORS

Total return to investors includes both price appreciation and dividend yield to an investor in the company's stock. The figures shown assume sales at the end of 1989 of stock owned at the end of 1979 and 1988. It has been assumed that any proceeds from cash dividends, the sale of rights and warrant offerings, and stock received in spinoffs were reinvested when they were paid. Returns are adjusted for stock splits, stock dividends, recapitalizations, and corporate reorganizations as they occur; however, no effort has been made to reflect the cost of brokerage commissions or of taxes. Results are listed as not available (N.A.) if shares are not publicly traded or are traded on only a limited basis. If companies have more than one class of shares outstanding, only the more widely held and actively traded has been considered. Total return percentages shown are the returns received by the hypothetical investor described above. The ten-year figures are annual averages, compounded.

Most of the figures in the FORTUNE Service 500 Directory were prepared by reporters Laurie Kretchmar and John Labate. The figures on market value, per share earnings, and total return to investors were prepared by Claudine Knight and Kathleen Smyth.

INDUSTRY MEDIANS

CHANGES IN SALES[1]

	INCREASES
DIVERSIFIED SERVICE	11.5%
RETAILING	10.0
DIVERSIFIED FINANCIALS	7.5
UTILITIES	5.2
TRANSPORTATION	5.1

CHANGES IN PROFITS

	INCREASES
DIVERSIFIED SERVICE	16.3%
LIFE INSURANCE[3]	14.5
RETAILING	12.6
DIVERSIFIED FINANCIALS	12.5
COMMERCIAL BANKS	6.8
UTILITIES	0.3
	DECREASES
SAVINGS INSTITUTIONS	63.0%
TRANSPORTATION	7.5

TOTAL RETURN TO INVESTORS, 1989[2]

UTILITIES	35.1%
DIVERSIFED FINANCIALS	32.0
RETAILING	29.2
DIVERSIFIED SERVICE	22.8
COMMERCIAL BANKS	19.6
TRANSPORTATION	15.4
SAVINGS INSTITUTIONS	(18.3)
SERVICE 500 MEDIAN	23.0

TOTAL RETURN TO INVESTORS 1979-89 ANNUAL AVERAGE[2]

RETAILING	24.6%
UTILITIES	20.3
COMMERCIAL BANKS	20.3
DIVERSIFED FINANCIALS	18.6
DIVERSIFIED SERVICE	17.9
TRANSPORTATION	16.5
SAVINGS INSTITUTIONS	5.6
SERVICE 500 MEDIAN	19.8

RETURN ON SALES[1]

	1989	1988
UTILITIES	11.1%	11.0%
DIVERSIFIED FINANCIALS	5.2	5.9
DIVERSIFIED SERVICE	2.6	2.2
RETAILING	2.4	2.5
TRANSPORTATION	2.2	3.4
SERVICE 500 MEDIAN	4.1	3.8

RETURN ON ASSETS[2]

	1989	1988
RETAILING	6.1%	5.4%
UTILITIES	4.2	4.2
DIVERSIFIED SERVICE	3.7	4.0
TRANSPORTATION	2.5	3.4
DIVERSIFIED FINANCIALS	1.1	1.2
COMMERCIAL BANKS	0.9	0.9
SAVINGS INSTITUTIONS	(0.3)	0.4
SERVICE 500 MEDIAN	1.1	1.1

RETURN ON STOCKHOLDERS' EQUITY[2]

	1989	1988
RETAILING	15.8%	16.3%
DIVERSIFIED SERVICE	14.5	12.4
COMMERCIAL BANKS	13.3	14.6
DIVERSIFIED FINANCIALS	12.7	12.8
UTILITIES	12.4	12.7
TRANSPORTATION	11.7	11.6
SAVINGS INSTITUTIONS	(2.3)	8.8
SERVICE 500 MEDIAN	12.3	13.0

SALES PER DOLLAR OF STOCKHOLDERS' EQUITY[1]

RETAILING	$5.19
DIVERSIFIED SERVICE	3.89
TRANSPORTATION	3.31
DIVERSIFED FINANCIALS	2.42
UTILITIES	1.16
SERVICE 500 MEDIAN	2.92

SALES PER EMPLOYEE[1]

DIVERSIFED FINANCIALS	$326,786
UTILITIES	282,843
DIVERSIFIED SERVICE	254,765
TRANSPORTATION	127,741
RETAILING	108,656
SERVICE 500 MEDIAN	194,873

[1]Commercial banks, savings institutions, and life insurance companies are not included. [2]Life insurance companies are not included. [3]Net income based on statutory accounting.

ARRIVALS AND DEPARTURES

NEWCOMERS TO THE 500	RANK
BB&T FINANCIAL CORP.	B-100
BORG-WARNER	S-44
BURLINGTON RESOURCES	S-51
COLONIAL PIPELINE	T-40
COMBUSTION ENGINEERING	S-27
COMPUTER ASSOCIATES	S-94
ENSTAR GROUP	I-28
FARMERS UNION	S-75
FED. HOME LOAN MORTGAGE	F-13
FIRST CAPITAL LIFE	L-46
FIRST HAWAIIAN	B-99
GRAND UNION	R-39
GREYHOUND LINES	T-24
INT'L SHIPHOLDING	T-49
INTEGRA FINANCIAL	B-78
JWP	S-55
LEUCADIA NATIONAL	F-48
METROPOLITAN FIN.	I-47
MONARCH LIFE	L-43
OGLETHORPE POWER	U-44
OMNICOM GROUP	S-96
RICHFOOD HOLDINGS	S-86
TURNER BROADCASTING	S-93
TWENTIETH CENTURY FOX FILM	S-98
UNITED ARTISTS ENTERTAIN.	S-88
UNITED PACIFIC LIFE	L-44

RETURNED TO THE 500**	
APPLE BANCORP (1986: I-46)	I-46
ARCO PIPE LINE (1985: T-31)	T-37
BP PIPELINES (ALASKA) (1985: T-24)	T-23
COUNTRYMARK (1987: S-100)	S-100
EXXON PIPELINE (1985: T-29)	T-33
GREAT LAKES BANCORP (1987: I-50)	I-50
PANHANDLE EASTERN (1985: U-43)	U-38
POTOMAC ELECTRIC POWER (1979: U-49)	U-46
SOCIETY FOR SAVINGS (1987: I-45)	I-38
SUPERMARKETS GENERAL (1986: R-16)	R-17
TJX COS. (1987: R-17)	R-47

DISPLACED FROM THE 500	1988 RANK
AIR EXPRESS INTERNATIONAL [1]	T-37
AMERICAN CARRIERS	T-42
AMER. S&L OF FLA. [2]	I-35
APL	S-72
ARROW ELECTRONICS	S-88
ATKINSON (GUY F.)	S-95
CHARTER	S-94
CHEMICAL LEAMAN	T-49
CITYFED FINANCIAL CORP.	I-19
CULBRO	S-93
DAIRYMEN	S-90
EMERY AIR FREIGHT [3]	T-23
FUJI BANK & TRUST CO.	B-96
GENERAL CINEMA	R-43
GIBRALTAR FINANCIAL CORP.	I-10
HARCOURT BRACE JOVAN. [4]	S-47
HARPER GROUP [1]	T-48
HOME LIFE	L-49
HOMESTEAD FINANCIAL CORP.	I-32
INTEGRATED RESOURCES	F-32
LINCOLN NAT'L PENSION [3]	L-27
LORIMAR TELEPICTURES	S-99
MDC HOLDINGS	S-97
MAXICARE HEALTH PLANS	S-49
MCORP	B-38
MONTGOMERY WARD HOLDING [5]	R-19
NASHUA	S-89
NCNB TEXAS NATIONAL BANK	B-26
PACIFIC FIRST FIN. CORP.	I-26
PIONEER HI-BRED INT'L	S-98
SOUTHWESTERN LIFE	L-32
TESORO PETROLEUM [4]	S-80
TEXAS EASTERN [3]	U-44
TIGER INTERNATIONAL [3]	T-22
TONKA	S-96
TRAILER TRAIN [1]	T-38
WESTERN S&L ASS'N	I-33

**Figures in parentheses indicate year and rank the last time the company was listed.
[1]Not classified as Transportation.
[2]Company figures consolidated with Enstar Group.
[3]Acquired by another company on the Service 500.
[4]Reclassified as an Industrial.
[5]Figures are no longer made public.

THE MONEY LOSERS†

	RANK	LOSS
FEDERATED DEPT. STORES	R-23	$1,503.9
SOUTHMARK	I-34	1,460.3*
SOUTHLAND	R-13	1,306.9*
J.P. MORGAN & CO.	B-4	1,275.0
BANK OF NEW ENGLAND CORP.	B-21	1,113.3
BANKERS TRUST N.Y.CORP.	B-10	979.9
ALLIED STORES	R-40	925.2
TEXAS AIR	T-6	885.6*
CHASE MANHATTAN CORP.	B-2	665.0
COLUMBIA S&L ASS'N	I-18	591.1
PINNACLE WEST CAPITAL	U-34	551.4
MANUFACT. HANOVER CORP.	B-8	518.0
CHEMICAL BANKING CORP.	B-6	482.2
ENTERGY	U-15	472.6
PAN AM	T-14	336.6*
TRANS WORLD AIRLINES	T-13	298.5
LOMAS FINANCIAL CORP.	F-35	296.8*
ILLINOIS POWER	U-43	288.4
GREAT AMERICAN BANK	I-7	263.4
TELE-COMMUNICATIONS	U-22	257.0
GOLDOME	I-9	253.0*
MERRILL LYNCH	F-5	213.4
SEAMEN'S CORP.	I-48	212.7
CROSSLAND SAVINGS	I-6	191.7
ATLANTIC FINANCIAL FEDERAL	I-22	161.1
ENSTAR GROUP	I-28	150.7
VALLEY NATIONAL CORP.	B-58	149.2
NAT'L WESTMNST. BANCORP	B-35	139.5
REVCO D.S.	R-41	133.4*
FLA. NAT'L. BANKS OF FLA.	B-68	131.9
SHAWMUT CORP.	B-24	128.9
HOME OWNERS SAVINGS BANK	I-45	127.5
FIRST INTERSTATE BANCORP	B-9	124.5
CENTRUST BANK	I-19	119.5
AMERIFIRST BANK	I-40	117.8
BEVERLY ENTERPRISES	S-48	104.2*
TRUSTCORP	B-95	104.1
UNITED ARTISTS ENTERTAIN.	S-88	103.5
LONG ISLAND LIGHTING	U-28	95.8*
DIME SAVINGS BANK OF N.Y.	I-11	92.3
TJX COS.	R-47	78.3*
SUPERMARKETS GEN. HLDGS.	R-17	76.5*
FLORIDA FED. SAVINGS BANK	I-32	76.4*
COAST SAVINGS FINANCIAL	I-14	74.2
KROGER	R-5	72.7
TURNER BROADCASTING	S-93	70.6
HOWARD SAVINGS BANK	I-30	66.1
USAIR GROUP	T-9	63.2
FINAN. CORP. OF ST. BARBARA	I-35	60.3*
TW SERVICES	R-31	57.3
MERITOR SAVINGS BANK	I-10	55.6*
BEST PRODUCTS	R-50	53.8*
R.H. MACY	R-16	53.7*
HAL	T-46	46.9*
FARWEST FINANCIAL	I-39	46.1
GULF STATES UTILITIES	U-35	45.6
SUBARU OF AMERICA	S-58	42.4*
CHARTER MEDICAL	S-66	36.7*
AMERICAN CAPITAL CORP.	I-29	35.3
LANDMARK LAND	F-44	34.9
SOO LINE	T-38	26.0
VONS COS.	R-21	25.1*
BRANIFF	T-44	24.6*
STOP & SHOP COS.	R-27	23.2*
ANCHOR SAVINGS BANK	I-20	23.1
CHICAGO & N.W. HLDGS.	T-27	20.8
MIDWAY AIRLINES	T-43	20.7
OLD STONE FINANCIAL	I-42	20.7
NATIONAL INTERGROUP	S-32	15.7*
NORTHEAST SAVINGS	I-21	12.9
AMERICAN MEDICAL INT'L	S-38	12.8
ARKANSAS BEST	T-32	12.7*
ALCO HEALTH SERVICES	S-43	11.9
FRANKLIN SAVINGS ASSN.	I-13	9.0
SFFED CORP.	I-49	8.6
PERMIAN PARTNERS	S-41	8.0*
FRED MEYER	R-46	6.8
BALFOUR MACLAINE	S-77	4.5*
DCNY	F-37	1.9*
MAYFLOWER GROUP	T-34	1.8*
RICHFOOD HOLDINGS	S-86	1.4
PRESTON	T-36	.8

†Life insurance companies are not included.
*Also lost money in 1988.

COMPANY	RANK
A	
ACE HARDWARE	S-68
AETNA LIFE	L-4
AETNA LIFE & ANNUITY	L-24
AETNA LIFE & CASUALTY	F-4
AHMANSON (H.F.)	I-1
AIRBORNE FREIGHT	T-28
ALASKA AIR GROUP	T-29
ALBERTSON'S	R-15
ALCO HEALTH SERVICES	S-43
ALCO STANDARD	S-25
ALEXANDER & ALEX. SERV.	F-46
ALEXANDER & BALDWIN	T-30
ALLEGHANY	F-36
ALLEGHENY POWER SYSTEM	U-50
ALLIED STORES	R-40
ALLSTATE LIFE	L-20
AMBASE	F-24
AMERICAN CAPITAL CORP.	I-29
AMERICAN ELECTRIC POWER	U-14
AMERICAN EXPRESS	F-1
AMERICAN FAMILY LIFE	L-42
AMERICAN FINANCIAL	S-8
AMERICAN GENERAL	F-15
AMER. INFORMATION TECH.	U-10
AMERICAN INT'L GROUP	F-9
AMERICAN MEDICAL INT'L	S-38
AMERICAN PRESIDENT	T-20
AMERICAN SAVINGS BANK	I-37
AMERICAN STORES	R-4
AMERICAN TEL. & TEL.	S-1
AMERICA WEST AIRLINES	T-26
AMERIFIRST BANK	I-40
AMERITRUST CORP.	B-55
AMES DEPARTMENT STORES	R-28
AMR	T-2
AMSOUTH BANCORP.	B-64
ANCHOR SAVINGS BANK	I-20
AON	F-32
APPLE BANCORP	I-46
ARA GROUP	S-23
ARCO PIPE LINE	T-37
ARGONAUT GROUP	F-50
ARKANSAS BEST	T-32
ASSOCIATED MILK PROD.	S-34
ATLANTIC FINANCIAL FEDERAL	I-22
AUTOMATIC DATA PROC.	S-62
AVNET	S-52
B	
BALFOUR MACLAINE	S-77
BALLY MANUFACTURING	S-50
BALTIMORE GAS & ELECTRIC	U-39
BANC ONE CORP.	B-26
BANCO POP. DE PUERTO RICO	B-85
BANCORP HAWAII	B-65
BANKAMERICA CORP.	B-3
BANKERS TRUST N.Y. CORP.	B-10
BANK OF BOSTON CORP.	B-15
BANK OF CALIFORNIA	B-69
BANK OF NEW ENGLAND CORP.	B-21
BANK OF NEW YORK CO.	B-11
BANK OF TOKYO TRUST	B-66
BANK SOUTH CORP.	B-97
BARNETT BANKS	B-23
BAYBANKS	B-62
BB&T FINANCIAL CORP.	B-100
BEAR STEARNS COS.	F-11
BELL ATLANTIC	U-3
BELLSOUTH	U-2
BENEFICIAL	F-33
BERGEN BRUNSWIG	S-26
BEST PRODUCTS	R-50
BEVERLY ENTERPRISES	S-48
BINDLEY WESTERN	S-67
BLOUNT	S-76
BOATMEN'S BANCSHARES	B-43
BORG-WARNER	S-44
BP PIPELINES (ALASKA)	T-23
BRANIFF	T-44
BROWNING-FERRIS	S-40
BRUNO'S	R-48
BURLINGTON NORTHERN	T-12
BURLINGTON RESOURCES	S-51
C	
CALFED	I-3
CAPITAL CITIES/ABC	S-17
CAPITAL HOLDING	F-21
CAROLINA FREIGHT	T-35
CAROLINA POWER & LIGHT	U-32
CARTER HAWLEY HALE	R-37
CASTLE & COOKE	S-39
CBI INDUSTRIES	S-70
CBS	S-36
CENTERIOR ENERGY	U-21
CENTEX	S-53
CENTRAL FIDELITY BANKS	B-94
CENTRAL & SOUTH WEST	U-29
CENTRUST BANK	I-19
CHARTER MEDICAL	S-66
CHASE MANHATTAN CORP.	B-2
CHEMICAL BANKING CORP.	B-6
CHICAGO & NORTH WESTERN	T-27
CHUBB	F-27
CIGNA	F-6
CINCINNATI FINANCIAL	F-47
CIRCLE K	R-30
CITADEL HOLDING CORP.	I-33
CITICORP	B-1
CITIZENS SAV. FINAN. CORP.	I-41
CITIZENS & SOUTHERN CORP.	B-33
CMS ENERGY	U-27
COAST SAVINGS FINANCIAL	I-14
COLONIAL PIPELINE	T-40
COLUMBIA GAS SYSTEM	U-40
COLUMBIA PICTURES ENT.	S-63
COLUMBIA S&L ASS'N	I-18
COMBUSTION ENGINEERING	S-27
COMDISCO	S-61
COMERICA	B-49
COMMERCE BANCSHARES	B-87
COMMERCIAL FEDERAL CORP.	I-27
COMMERCIAL METALS	S-78
COMMONWEALTH EDISON	U-11
COMPUTER ASSOCIATES	S-94
COMPUTER SCIENCES	S-79
CONNECTICUT GENERAL LIFE	L-7
CONNECTICUT MUTUAL LIFE	L-19
CONSOL. EDISON OF N.Y.	U-24
CONSOLIDATED FREIGHTWAYS	T-15
CONSOLIDATED NATURAL GAS	U-48
CONSOLIDATED RAIL	T-16
CONTEL	U-41
CONTINENTAL	F-22
CONTINENTAL ASSURANCE	L-28
CONTINENTAL BANK CORP.	B-22
CORESTATES FINAN. CORP.	B-39
COSTCO WHOLESALE	R-34
COUNTRYMARK	S-100
CRESTAR FINANCIAL CORP.	B-54
CROSSLAND SAVINGS	I-8
CSX	T-5
D	
DAYTON HUDSON	R-8
DCNY	F-37
DELTA AIR LINES	T-4
DETROIT EDISON	U-25
DI GIORGIO	S-91
DILLARD DEPT. STORES	R-33
DIME SAVINGS BANK OF N.Y.	I-11
DISNEY (WALT)	S-19
DOMINION BANKSHARES	B-60
DOMINION RESOURCES	U-23
DOWNEY S&L ASS'N	I-43
DUKE POWER	U-26
DUN & BRADSTREET	S-21
E	
ECOLAB	S-81
ELECTRONIC DATA SYSTEMS	S-15
EMPIRE OF AMERICA FED. SAV.	I-16
ENRON	S-4
ENSERCH	S-35
ENSTAR GROUP	I-28
ENTERGY	U-15
EQUITABLE BANCORP.	B-93
EQUITABLE LIFE ASSURANCE	L-3
EQUITABLE VARIABLE LIFE	L-26
EUROPEAN AMER. BANCORP	B-96
EXECUTIVE LIFE	L-16
EXXON PIPELINE	T-33
F	
FARMERS UNION	S-75
FARWEST FINANCIAL	I-39
FEDERAL EXPRESS	T-10
FED. HOME LOAN MORTGAGE	F-13
FED. NAT'L MORTGAGE ASS'N	F-2
FEDERATED DEPT. STORES	R-23
FIFTH THIRD BANCORP	B-74
FIN. CORP. OF SANTA BARBARA	I-35
FIRST ALABAMA BANCSHARES	B-92
FIRST AMER. BANKSHARES	B-52
FIRST AMERICAN CORP.	B-75
FIRSTAR CORP.	B-63
FIRST BANK SYSTEM	B-36
FIRST CAPITAL	L-46
FIRST CHICAGO CORP.	B-13
1ST CITY BANCORP. OF TEXAS	B-44
FIRST EMPIRE STATE CORP.	F-34
FIRSTFED MICHIGAN CORP.	I-12
FIRST FIDELITY BANCORP.	B-20
FIRST FLORIDA BANKS	B-91
FIRST HAWAIIAN	B-99
FIRST INTERSTATE BANCORP	B-9
FIRST MARYLAND BANCORP	B-72
1ST OF AMERICA BANK CORP.	B-45
FIRST PENNSYLVANIA CORP.	B-80
FIRST SECURITY CORP.	B-88
1ST TENNESSEE NAT'L CORP.	B-81
FIRST UNION CORP.	B 17
FIRST VIRGINIA BANKS	B-98
FIRST WACHOVIA CORP.	B-31
FLEET/NORSTAR FINANCIAL	B-16
FLEMING	S-2
FLORIDA FEDERAL SAVINGS	I-32
FLORIDA NAT'L BANKS OF FLA.	B-68
FLORIDA PROGRESS	U-47
FLUOR	S-12
FOOD LION	R-25
FOSTER WHEELER	S-84
FPL GROUP	U-18
FRANKLIN (B.) FED. S&L ASS'N	I-31
FRANKLIN LIFE	L-50
FRANKLIN SAVINGS ASS'N	I-13
FUND AMERICAN	F-26
G	
GEICO	F-39
GENERAL AMERICAN LIFE	L-37
GENERAL PUBLIC UTILITIES	U-36
GENERAL RE	F-30
GENUINE PARTS	S-33
GIANT FOOD	R-35
GLENFED	I-4
GOLDEN WEST FINAN. CORP.	I-5
GOLDOME	I-9
GRAINGER (W.W.)	S-57
GRAND TRUNK	T-45
GRAND UNION	R-39
GREAT AMERICAN BANK	I-7
GREAT ATL. & PACIFIC TEA	R-10
GREAT LAKES BANCORP	I-50
GREAT WESTERN FINAN. CORP.	I-2
GREYHOUND DIAL	S-29
GREYHOUND LINES	T-24
GTE	U-1
GUARDIAN OF AMERICA	L-38
GULF STATES UTILITIES	U-35
H	
HAL	T-46
HALLIBURTON	S-14
HANOVER INSURANCE	F-42
HARDWARE WHOLESALERS	S-95
HARRIS BANKCORP	B-47
HARTFORD LIFE	L-29
HARVEST STATES COOPS.	S-37
HERTZ	S-45
HIBERNIA CORP.	B-79
HILTON HOTELS	S-97
HOLIDAY	S-65
HOME DEPOT	R-38
HOMEFED CORP.	I-6
HOME OWNERS SAVINGS BANK	I-45
HOSPITAL CORP. OF AMERICA	S-22
HOUSEHOLD INTERNATIONAL	F-17
HOUSTON INDUSTRIES	U-20
HOWARD SAVINGS BANK	I-30
HUMANA	S-24
HUNTINGTON BANCSHARES	B-51
HUNT (J.B.) TRANSPORT	T-41
I	
IDS LIFE	L-17
ILLINOIS CENTRAL RAILROAD	T-39
ILLINOIS POWER	U-43
IMPERIAL CORP. OF AMERICA	I-15
INB FINANCIAL CORP.	B-84
INDIANA FARM BUREAU COOP.	S-89

RANK KEY

B– COMMERCIAL BANKING COMPANIES page 310

F– DIVERSIFIED FINANCIAL COMPANIES page 316

I– SAVINGS INSTITUTIONS page 318

L– LIFE INSURANCE COMPANIES page 322

R– RETAILING COMPANIES page 324

S– DIVERSIFIED SERVICE COMPANIES page 304

T– TRANSPORTATION COMPANIES page 328

U– UTILITIES page 330

COMPANY	RANK
IND. BNK. OF JAPAN TRST. CO.	B-90
INTEGRA FINANCIAL	B-78
INT'L SHIPHOLDING	T-49
INTERPUBLIC GROUP OF COS.	S-85
ITEL	S-49
ITT	F-10
J	
JACKSON NATIONAL LIFE	L-30
JOHN HANCOCK MUTUAL LIFE	L-9
JWP	S-55
K	
KANSAS CITY SO. IND.	T-42
KELLY SERVICES	S-73
KEMPER	F-25
KEMPER INVESTORS LIFE	L-40
KEYCORP	B-41
KEYSTONE PROVIDENT LIFE	L-34
K MART	R-2
KROGER	R-5
L	
LANDMARK LAND	F-44
LEUCADIA NATIONAL	F-48
LIMITED	R-26
LINCOLN NATIONAL	F-18
LINCOLN NATIONAL LIFE	L-15
LOEWS	F-14
LOMAS FINANCIAL	F-35
LONG ISLAND LIGHTING	U-28
LONGS DRUG STORES	R-49
LOWE'S COMPANIES	R-43
M	
MACY (R.H.)	R-16
MANUF. HANOVER CORP.	B-8
MANUF. NATIONAL CORP.	B-59
MARINE MIDLAND BANKS	B-25
MARRIOTT	S-5
MARSHALL & ILSLEY CORP.	B-73
MARSH & MCLENNAN	F-49
MASS. MUTUAL LIFE	L-11
MAY DEPARTMENT STORES	R-9
MAYFLOWER	T-34
MCA	S-31
MCDONALD'S	R-18
MCI COMMUNICATIONS	S-11
MCKESSON	S-7
MELLON BANK CORP.	B-18
MELVILLE	R-14
MERCANTILE BANCORP.	B-76
MERCANTILE STORES	R-45
MERCHANTS NATIONAL CORP.	B-89
MERIDIAN BANCORP	B-50
MERITOR SAVINGS BANK	I-10
MERRILL LYNCH	F-5
METROPOLITAN FINANCIAL	I-47
METROPOLITAN LIFE	L-2
MEYER (FRED)	R-46
MICHIGAN NATIONAL CORP.	B-53
MIDLAND ENTERPRISES	T-50
MIDLANTIC CORP.	B-32
MIDWAY AIRLINES	T-43
MINNESOTA MUTUAL LIFE	L-45
MNC FINANCIAL	B-37
MONARCH LIFE	L-43
MORGAN (J.P.) & CO.	B-4
MORGAN STANLEY GROUP	F-8
MORRISON KNUDSEN	S-47
MUTUAL BENEFIT LIFE	L-18
MUTUAL OF AMERICA LIFE	L-48
MUTUAL OF NEW YORK	L-13
N	
NASH FINCH	S-46
NATIONAL CITY CORP.	B-34
NATIONAL INTERGROUP	S-32
NAT'L MEDICAL ENTERPRISES	S-28
NAT'L WESTMIN. BANCORP	B-35
NATIONWIDE LIFE	L-23
NBD BANCORP	B-27
NCNB CORP.	B-7
NEW ENGLAND MUTUAL LIFE	L-14
NEW YORK LIFE	L-6
NEW YORK LIFE & ANNUITY	L-25
N.Y. STATE ELECTRIC & GAS	U-45
NIAGARA MOHAWK POWER	U-33
NIKE	S-59
NORDSTROM	R-42
NORFOLK SOUTHERN	T-11
NORTHEAST SAVINGS	I-21
NORTHEAST UTILITIES	U-37
NORTHERN STATES POWER	U-49
NORTHERN TRUST CORP.	B-56
NORTHWESTERN MUTUAL LIFE	L-10
NORTHWESTERN NAT'L LIFE	L-41
NORWEST CORP.	B-30
NVR LP	S-83
NWA	T-8
NYNEX	U-4
O	
OGDEN	S-74
OGLETHORPE POWER	U-44
OHIO CASUALTY	F-40
OHIO EDISON	U-30
OLD KENT FINANCIAL CORP.	B-67
OLD REPUBLIC INT'L	F-41
OLD STONE FINANCIAL	I-42
OMNICOM GROUP	S-96
OVERSEAS SHIPHOLDING GRP.	T-47
P	
PACIFIC ENTERPRISES	S-10
PACIFIC GAS & ELECTRIC	U-6
PACIFIC MUTUAL LIFE	L-27
PACIFICORP	U-19
PACIFIC TELESIS GROUP	U-7
PAINE WEBBER GROUP	F-19
PAN AM	T-14
PANHANDLE EASTERN	U-38
PARAMOUNT COMM.	S-13
PENNEY (J.C.)	R-6
PENN MUTUAL LIFE	L-39
PENN. POWER & LIGHT	U-31
PEOPLE'S BANK	I-23
PERMIAN PARTNERS	S-41
PERPETUAL FINANCIAL CORP.	I-25
PHH	S-56
PHILADELPHIA ELECTRIC	U-17
PHM	S-90
PHOENIX MUTUAL LIFE	L-35
PINNACLE WEST	U-34
PITTSTON	T-22
PNC FINANCIAL CORP.	B-14
POTOMAC ELECTRIC POWER	U-46
PRESTON	T-36
PRICE	R-22
PRIMERICA CORP.	F-20
PRINCIPAL MUTUAL LIFE	L-12
PROGRESSIVE	F-45
PROVIDENT NAT'L ASSURANCE	L-32
PRUDENTIAL OF AMERICA	L-1
PUBLIC SERVICE ENT. GROUP	U-16
PUBLIX SUPER MARKETS	R-20
R	
REEBOK INTERNATIONAL	S-54
RELIANCE GROUP HOLDINGS	F-29
REPUBLIC NEW YORK CORP.	B-28
REVCO D.S.	R-41
RICHFOOD HOLDINGS	S-86
RIGGS NATIONAL CORP.	B-71
RITE AID	R-36
ROADWAY SERVICES	T-18
ROCHESTER COMMUNITY SAV.	I-44
ROUNDY'S	S-42
RYDER SYSTEM	S-16
RYKOFF-SEXTON	S-82
RYLAND GROUP	S-72
S	
SAFECO	F-31
SAFEWAY STORES	R-7
SALOMON	F-3
SANTA FE PACIFIC	T-17
SANWA BANK CALIFORNIA	B-77
SCECORP	U-13
SCHWAB (CHARLES)	F-38
SEAMEN'S CORP.	I-48
SEARS ROEBUCK	R-1
SECURITY PACIFIC CORP.	B-5
SERVICEMASTER	S-64
SERVICE MERCHANDISE	R-32
SERVISTAR	S-92
SFFED CORP.	I-49
SHAWMUT NATIONAL CORP.	B-24
SIGNET BANKING CORP.	B-46
SOCIETY CORP.	B-57
SOCIETY FOR SAVINGS	I-38
SOO LINE	T-38
SOUTH CAROLINA NAT'L CORP.	B-82
SOUTHEAST BANKING CORP.	B-40
SOUTHERN	U-9
SOUTHERN PACIFIC TRANS.	T-19
SOUTHLAND	R-13
SOUTHMARK	I-34
SOUTHTRUST CORP.	B-70
SOUTHWEST AIRLINES	T-25
SOUTHWESTERN BELL	U-8
SOVRAN FINANCIAL CORP.	B-29
STANDARD FEDERAL BANK	I-17
STAR BANC CORP.	B-86
STATE FARM LIFE	L-22
STATE MUTUAL OF AMERICA	L-36
STATESMAN GROUP	F-43
STATE STREET BOSTON CORP.	B-61
STOP & SHOP	R-27
ST. PAUL	F-28
STUDENT LOAN MAR. ASS'N	F-12
SUBARU OF AMERICA	S-58
SUN LIFE OF AMERICA	L-49
SUNTRUST BANKS	B-19
SUPER FOOD SERVICES	S-60
SUPERMARKETS GENERAL	R-17
SUPER VALU STORES	S-3
SYSCO	S-9
T	
TALMAN HOME FED.	I-26
TANDY	R-29
TCF FINANCIAL CORP.	I-36
TEACHERS INS. & ANNUITY	L-5
TELE-COMMUNICATIONS	U-22
TEXAS AIR	T-6
TEXAS UTILITIES	U-12
TJX	R-47
TOYS "R" US	R-24
TRANSAMERICA	F-16
TRANSAM. LIFE & ANNUITY	L-31
TRANSAM. OCCIDENTAL LIFE	L-33
TRANS WORLD AIRLINES	T-13
TRANSCON	T-48
TRAVELERS	L-8
TRAVELERS CORP.	F-7
TRUSTCORP	B-95
TURNER	S-30
TURNER BROADCASTING	S-93
20TH CENTURY FOX FILM	S-98
TW SERVICES	R-31
U	
UAL	T-3
UJB FINANCIAL	B-48
UNIGROUP	T-31
UNION BANK	B-42
UNION ELECTRIC	U-42
UNION EQUITY CO-OP. EXCH.	S-87
UNION PACIFIC	T-7
UNITED ARTISTS ENTERTAIN.	S-88
UNITED BANKS OF COLORADO	B-83
UNITED PACIFIC LIFE	L-44
UNITED PARCEL SERVICE	T-1
UNITED STATES SHOE	R-44
UNITED STATIONERS	S-99
UNITED TELECOMM.	S-6
UNIVAR	S-80
UNUM LIFE	L-47
USAIR GROUP	T-9
U.S. BANCORP	B-38
USF&G	F-23
US WEST	U-5
V	
VALLEY NATIONAL CORP.	B-58
VARIABLE ANNUITY LIFE	L-21
VIACOM	S-71
VONS	R-21
W	
WALGREEN	R-19
WAL-MART STORES	R-3
WASH. MUTUAL SAVINGS	I-24
WASTE MANAGEMENT	S-20
WELLS FARGO & CO.	B-12
WETTERAU	S-18
WHEELABRATOR TECH.	S-69
WINN-DIXIE STORES	R-11
WOOLWORTH (F.W.)	R-12
Y	
YELLOW FREIGHT SYSTEM	T-21